

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input checked="" type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Oscoda County	County Oscoda
Fiscal Year End 12/31/2006	Opinion Date 6/14/07	Date Audit Report Submitted to State 6/26/07	

We affirm that:


We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- YES NO **Check each applicable box below.** (See instructions for further detail.)
- ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
 - ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
 - ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
 - ☒ ☐ The local unit has adopted a budget for all required funds.
 - ☒ ☐ A public hearing on the budget was held in accordance with State statute.
 - ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
 - ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
 - ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
 - ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
 - ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
 - ☒ ☐ The local unit is free of repeated comments from previous years.
 - ☒ ☐ The audit opinion is UNQUALIFIED.
 - ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
 - ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
 - ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)		
Financial Statements	<input checked="" type="checkbox"/>			
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>			
Other (Describe)	<input type="checkbox"/>			
Certified Public Accountant (Firm Name) James M. Anderson, P.C.		Telephone Number (989) 563-2450		
Street Address P.O. Box 255		City Roscommon	State MI	Zip 48653
Authorizing CPA Sign: 	<small>Digitally signed by James M. Anderson, CPA DN: cn=James M. Anderson, c=US, o=James M. Anderson, P.C., email=jma@m33access.com Date: 2007.06.26 16:29:56 -04'00'</small>	Printed Name James M. Anderson, CPA		License Number 1101017419

**OSCODA COUNTY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2006**

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James M. Anderson, P.C.

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

June 14, 2007

Board of Commissioners
Oscoda County
Mio, Michigan 48647

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Oscoda, Michigan, as of and for the year ended December 31, 2006, which collectively comprise the basic financial statements of Oscoda County's primary government as listed in the table of contents. These financial statements are the responsibility of the County's management. My responsibility is to express an opinion based on my audit. I did not audit the financial statements of the Oscoda County Road Commission (special revenue discretely presented component unit) which represents 100 percent of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to me, and my opinion, insofar as it relates to the amounts included for the Oscoda County Road Commission, is based on the reports of the other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit and the report of the other auditors provides a reasonable basis for my opinion.

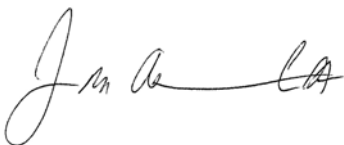
MEMBER MACPA and AICPA

In my opinion, based on my audit and the report of the other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Oscoda County, Michigan as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for each major fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated June 14, 2007, on my consideration of Oscoda County's internal control over financial reporting and my test of its compliance with certain provision of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

The Management's Discussion and Analysis on pages 3-8 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Oscoda County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of Oscoda County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, based on my audit and the report of other auditors, are fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read "James M. Anderson".

JAMES M. ANDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANT

OSCODA COUNTY MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Oscoda, we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County of Oscoda exceeded its liabilities as the close of the most recent fiscal year by \$6,850,440 (*net assets*). Of this amount, \$4,898,313 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the County of Oscoda's governmental funds reported combined ending net assets of \$4,704,493.
- At December 31, 2006, unreserved fund balance of General Fund was \$617,139, or 17% of General Fund annual expenditures.
- 100% Tax Payment Enterprise Fund ended year with \$2,145,947 net assets.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Oscoda County's basic financial statements. These statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Oscoda County's finances, in a manner similar to a private-sector business.

The *Statement of Net Assets* presents information on all of Oscoda County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Oscoda County is improving or deteriorating.

The *Statement of Activities* presents information showing how the Oscoda County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., uncollected taxes and earned but unused vacation leave).

OSCODA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

Both of the government-wide financial statements distinguish functions of Oscoda County that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). *Governmental activities* include legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, recreation and culture, and other functions. *Business-type activities* include delinquent tax collections.

The county's governmental activities also include a legally separate entity (component unit) for which the county is financially accountable. The *component unit* included is the Oscoda County Road Commission. Financial information for the balance of the component unit is reported separately from the financial information presented for the primary government itself. A separately issued report can be obtained from the component unit's office as stated in Note A.

Fund Financial Statements. A fund is a grouping of related accounts and is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Oscoda like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Oscoda County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Most of the county's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the county's general governmental operations and the basic services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *government funds* and *governmental activities*.

OSCODA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

The County of Oscoda maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, ambulance, housing commission, and County Revenue Sharing Reserve funds, each of which is considered to be a major fund. Data for the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary Funds. The county maintains only one of the two different types of proprietary funds: enterprise and internal service. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The county uses enterprise funds to account for its delinquent tax collections. *Internal service funds* are used to accumulate and allocate costs internally among the county's various functions. Oscoda County has no internal service funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only with more detail. The proprietary fund financial statements provide separate information for each enterprise fund.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds and combining component unit funds are presented immediately following the General Fund detail schedule of Expenditures.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial analysis focuses on the net assets and changes in net assets of the governmental and business-type activities. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As the following table demonstrates, the county's assets exceeded its liabilities by \$6,850,440 at December 31, 2006.

OSCODA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

County of Oscoda's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 5,090,028	\$ 5,211,540	\$ 2,158,258	\$ 2,065,630	\$ 7,248,286	\$ 7,277,170
Capital assets	<u>1,836,815</u>	<u>1,840,563</u>	<u>-0-</u>	<u>-0-</u>	<u>1,836,815</u>	<u>1,840,563</u>
Total Assets	<u>6,926,843</u>	<u>7,052,103</u>	<u>2,158,258</u>	<u>2,065,630</u>	<u>9,085,101</u>	<u>9,117,733</u>
Long-term liabilities	59,301	62,370	-0-	-0-	59,301	62,370
Other liabilities	<u>2,163,049</u>	<u>3,225,774</u>	<u>12,311</u>	<u>24,896</u>	<u>2,175,360</u>	<u>3,250,670</u>
Total Liabilities	<u>2,222,350</u>	<u>3,288,144</u>	<u>12,311</u>	<u>24,896</u>	<u>2,234,661</u>	<u>3,313,040</u>
Net assets						
Invested in capital assets						
Net of related debt	1,836,815	1,840,563	-0-	-0-	1,836,815	1,840,563
Restricted	47,516	59,004	67,796	9,794	115,312	68,798
Unrestricted	<u>2,820,162</u>	<u>1,864,392</u>	<u>2,078,151</u>	<u>2,030,940</u>	<u>4,898,313</u>	<u>3,895,332</u>
Total Net Assets	<u>\$ 4,704,493</u>	<u>\$ 3,763,959</u>	<u>\$ 2,145,947</u>	<u>\$ 2,040,734</u>	<u>\$ 6,850,440</u>	<u>\$ 5,804,693</u>

A large portion of the county's net assets, \$1,836,815 (26 percent), reflects its investment in capital assets (i.e., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the county's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The largest portion of the county's net assets, \$4,898,313 (71 percent), represents *unrestricted net assets* that may be used to meet the county's ongoing obligations to citizens and creditors.

The remaining balance of \$115,312, (3 percent), represents resources that are subject to external restrictions on how they may be used.

OSCODA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

County of Oscoda Changes in Net Assets

	Government Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenue						
Program revenue						
Charges for services	\$ 1,294,655	\$ 1,217,940	\$ 211,983	\$ 142,566	\$ 1,506,638	\$ 1,360,506
Operating grants and contributions	1,127,603	1,166,657	-0-	-0-	1,127,603	1,166,657
Capital grants	69,215	109,426	-0-	-0-	69,215	109,426
General revenue						
Property taxes	3,597,535	3,381,881	-0-	-0-	3,597,535	3,381,881
Other	199,110	120,054	88,073	56,075	287,183	176,129
Total Revenue	<u>6,288,118</u>	<u>5,995,958</u>	<u>300,056</u>	<u>198,641</u>	<u>6,588,174</u>	<u>6,194,599</u>
Expenses						
Legislative	135,117	137,648	-0-	-0-	135,117	137,648
Judicial	602,080	540,914	-0-	-0-	602,080	540,914
General government	1,469,367	1,379,973	-0-	-0-	1,469,367	1,379,973
Public safety	2,140,945	1,866,534	-0-	-0-	2,140,945	1,866,534
Health and welfare	900,026	1,065,486	-0-	-0-	900,026	1,065,486
Recreation and cultural	254,049	246,204	-0-	-0-	254,049	246,204
Delinquent property tax	-0-	-0-	40,843	37,128	40,843	37,128
Total Expenses	<u>5,501,584</u>	<u>5,236,759</u>	<u>40,843</u>	<u>37,128</u>	<u>5,542,427</u>	<u>5,273,887</u>
Increase (decrease) in net assets before transfers	786,534	759,199	259,213	161,513	1,045,747	920,712
Transfers	<u>154,000</u>	<u>245,779</u>	<u>(154,000)</u>	<u>(245,779)</u>	<u>-0-</u>	<u>-0-</u>
Increase in net assets	940,534	1,004,978	105,213	(84,266)	1,045,747	920,712
Net Assets – beginning of year	<u>3,763,959</u>	<u>2,758,981</u>	<u>2,040,734</u>	<u>2,125,000</u>	<u>5,804,693</u>	<u>4,883,981</u>
Net Assets – end of year	<u>\$ 4,704,493</u>	<u>\$ 3,763,959</u>	<u>\$ 2,145,947</u>	<u>\$ 2,040,734</u>	<u>\$ 6,850,440</u>	<u>\$ 5,804,693</u>

The county's net assets increased by \$1,045,747 during the current year. This increase is attributable to the increase in property tax revenues and the establishment of the County Revenue Sharing Reserve Fund.

Governmental Activities. Governmental activities increased the county's net assets by \$940,534. Without the transfer of \$154,000 from the 100% Tax Payment Enterprise Funds, the Governmental activities would have resulted in a net asset increase of \$786,534.

Business-Type Activities. Business-type activities increased the county's net assets by \$105,213. The increase is from the additional revenue from the County administering its own delinquent tax sale in 2006.

FINANCIAL ANALYSIS

Increases in expenditures during 2006 were mainly due to employee payroll and insurance benefit increases, most of which were set by multi-year contracts between Oscoda County and the employee unions.

Oscoda County continues to report fixed assets in accordance with GASB No. 34. All fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the estimated useful life. The detailed fixed asset statement may be reviewed at the Commissioner's office.

OSCODA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

FINANCIAL ANALYSIS (CONTINUED)

The County built a new ambulance garage during 2006 at a cost of \$31,166.

2006 was the first year that the County Treasurer held a tax sale since P.A. 123 was adopted by the state of Michigan. This resulted in an additional \$65,702 in operating income in the 100% Tax Payment Enterprise Fund.

The Oscoda County Park upgraded the campground electrical sites during 2006 at a cost of \$31,340.

The County master plan was completed and adopted in 2006. This was accomplished through a civil engineering firm at a cost of \$18,700.

The EDC Revolving Loan Fund was established in 2005 with a Federal USDA Grant of \$150,000. During 2006, an additional \$71,900 was received. As of December 31, 2006, all of the funds received had been converted to Commercial loans within the Community.

The General Fund 2006 expenditures totaled \$3,455,616 compared to \$3,370,711 in 2005. This is a net increase of \$84,905 (2.5%).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

This is the third year the County will use their Revenue Sharing Fund (RSRF). The RSRF is used to pay counties the State Shared Revenue that the State of Michigan would normally pay to Counties. This shift in tax collection results in additional burden on taxpayers. It will also require Oscoda County to use its fund balance to operate from January to July long after the RSRF is exhausted.

The County Commissioners are currently considering a new health care plan that will save the County as much as \$73,000 per year in premiums. In addition, they are investigating a short-term disability plan that would eliminate sick pay normally funded by the County.

During 2007 the County took control of the County fairgrounds as a result of the dissolution of the County fair board. In addition, the County has applied for federal funding for airport infrastructure improvements.

CLOSING

This financial report is intended to provide our citizens, taxpayers and the general public with an overview of county finances and how they are spent.

OSCODA COUNTY
STATEMENT OF NET ASSETS
DECEMBER 31, 2006

	Primary Government			Component
	Governmental	Business Type		Unit
	Activities	Activities	Total	Road Commission
ASSETS				
Cash and investments	\$ 2,826,775	\$ 1,795,056	\$ 4,621,831	\$ 342,254
Receivables				
Accounts receivable	327,630	-0-	327,630	99,539
Current tax	1,151,086	-0-	1,151,086	-0-
Delinquent tax	-0-	349,720	349,720	-0-
Interest	20,327	8,451	28,778	-0-
Other governments	168,021	5,031	173,052	355,741
Mortgages	356,439	-0-	356,439	-0-
EDC revolving loans	203,685	-0-	203,685	-0-
Prepaid insurance	36,065	-0-	36,065	-0-
Inventories	-0-	-0-	-0-	671,568
Capital assets - net	<u>1,836,815</u>	<u>-0-</u>	<u>1,836,815</u>	<u>5,035,435</u>
Total Assets	<u>6,926,843</u>	<u>2,158,258</u>	<u>9,085,101</u>	<u>6,504,537</u>
LIABILITIES				
Accounts payable	153,568	-0-	153,568	33,109
Accrued liabilities	41,321	-0-	41,321	13,453
Due to other governmental				
Units	97,614	12,311	109,925	-0-
Deferred revenue	1,870,546	-0-	1,870,546	-0-
Long-term liabilities				
Accrued compensated				
absences	<u>59,301</u>	<u>-0-</u>	<u>59,301</u>	<u>81,039</u>
Total Liabilities	<u>2,222,350</u>	<u>12,311</u>	<u>2,234,661</u>	<u>127,601</u>
NET ASSETS				
Investment in capital assets				
Net of related debt	1,836,815	-0-	1,836,815	5,035,435
Restricted for:				
Family counseling	20,274	-0-	20,274	-0-
Title III	12,905	-0-	12,905	-0-
Drunk driving caseflow				
assistance	14,337	-0-	14,337	-0-
Delinquent property tax				
collections	-0-	67,796	67,796	-0-
County roads	-0-	-0-	-0-	1,341,501
Unrestricted	<u>2,820,162</u>	<u>2,078,151</u>	<u>4,898,313</u>	<u>-0-</u>
Total Net Assets	<u>\$ 4,704,493</u>	<u>\$ 2,145,947</u>	<u>\$ 6,850,440</u>	<u>\$6,376,936</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental activities:					
Legislative	\$ 135,117	\$ -0-	\$ -0-	\$ -0-	\$ (135,117)
Judicial	602,080	310,355	176,011	-0-	(115,714)
General government	1,469,367	266,283	103,618	-0-	(1,099,466)
Public safety	2,140,945	486,600	232,665	69,215	(1,352,465)
Public works	-0-	8,502	-0-	-0-	8,502
Health and welfare	900,026	103,109	521,331	-0-	(275,586)
Recreation & cultural	254,049	119,806	93,978	-0-	(40,265)
Total Governmental Activities	<u>5,501,584</u>	<u>1,294,655</u>	<u>1,127,603</u>	<u>69,215</u>	<u>(3,010,111)</u>
Business-type activities					
Delinquent property tax	40,843	211,983	-0-	-0-	171,140
Total Business- type Activities	<u>40,843</u>	<u>211,983</u>	<u>-0-</u>	<u>-0-</u>	<u>171,140</u>
Total Primary Government	<u>\$ 5,542,427</u>	<u>\$ 1,506,638</u>	<u>\$ 1,127,603</u>	<u>\$ 69,215</u>	<u>\$(2,838,971)</u>
Component unit					
Road commission	\$ 2,526,312	\$ 27,332	\$ 3,011,309	\$ -0-	\$ 512,329
Total Component Units	<u>\$ 2,526,312</u>	<u>\$ 27,332</u>	<u>\$ 3,011,309</u>	<u>\$ -0-</u>	<u>\$ 512,329</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
STATEMENT OF ACTIVITIES (Concluded)
FOR THE YEAR ENDED DECEMBER 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Road Commission
Changes in net assets				
Net (expense) revenue	<u>\$ (3,010,111)</u>	<u>\$ 171,140</u>	<u>\$ (2,838,971)</u>	<u>\$ 512,329</u>
General Revenues:				
Property taxes	3,597,535	-0-	3,597,535	-0-
Convention tax	47,231	-0-	47,231	-0-
Cigarette tax	5,562	-0-	5,562	-0-
Unrestricted investment earnings	144,515	88,073	232,588	30,044
Sales of capital assets	1,802	-0-	1,802	581
Transfers - internal activities	<u>154,000</u>	<u>(154,000)</u>	<u>-0-</u>	<u>-0-</u>
Total General Revenues, Contributions and Transfers	<u>3,950,645</u>	<u>(65,927)</u>	<u>3,884,718</u>	<u>30,625</u>
Change in net assets	940,534	105,213	1,045,747	542,954
Net assets - beginning of year	<u>3,763,959</u>	<u>2,040,734</u>	<u>5,804,693</u>	<u>5,833,982</u>
Net assets - end of year	<u>\$ 4,704,493</u>	<u>\$ 2,145,947</u>	<u>\$ 6,850,440</u>	<u>\$ 6,376,936</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2006

	General Fund	Ambulance Fund	HUD Fund
ASSETS			
Cash demand and time deposits	\$ 474,128	\$ 263,745	\$ 71,097
Taxes receivable	560,021	171,006	-0-
Accounts receivable	-0-	323,900	-0-
Interest receivable	12,014	-0-	-0-
Due from other funds	19,858	1,890	-0-
Due from governmental units	88,881	-0-	-0-
Prepaid expenses	28,189	783	-0-
Long-term mortgages receivable	-0-	-0-	356,439
EDC revolving loans	-0-	-0-	-0-
Total Assets	<u>\$ 1,183,091</u>	<u>\$ 761,324</u>	<u>\$ 427,536</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 94,858	\$ 5,933	\$ 12,714
Due to other funds	3,041	6,916	8,137
Due to governmental units	-0-	-0-	40,614
Accrued liabilities	28,839	6,628	-0-
Deferred revenue	<u>395,457</u>	<u>494,906</u>	<u>356,439</u>
Total Liabilities	<u>522,195</u>	<u>514,383</u>	<u>417,904</u>
Fund Equity:			
Reserved for family counseling	20,274	-0-	-0-
Reserved for district court caseflow assistance	14,337	-0-	-0-
Reserved for forest service	9,146	-0-	-0-
Undesignated	<u>617,139</u>	<u>246,941</u>	<u>9,632</u>
Total Fund Equity	<u>660,896</u>	<u>246,941</u>	<u>9,632</u>
Total Liabilities and Fund Equity	<u>\$ 1,183,091</u>	<u>\$ 761,324</u>	<u>\$ 427,536</u>

The accompanying notes are an integral part of these financial statements.

Revenue Sharing Reserve	Other Funds	Total
\$ 860,562	\$ 1,157,243	\$ 2,826,775
-0-	420,059	1,151,086
-0-	3,730	327,630
8,313	-0-	20,327
-0-	13,067	34,815
-0-	79,140	168,021
-0-	7,093	36,065
-0-	-0-	356,439
-0-	203,685	203,685
<u>\$ 868,875</u>	<u>\$ 1,884,017</u>	<u>\$ 5,124,843</u>
\$ -0-	\$ 40,063	\$ 153,568
-0-	16,721	34,815
-0-	57,000	97,614
-0-	5,854	41,321
-0-	623,744	1,870,546
<u>-0-</u>	<u>743,382</u>	<u>2,197,864</u>
-0-	-0-	20,274
-0-	-0-	14,337
-0-	3,759	12,905
858,875	1,136,876	2,879,463
<u>868,875</u>	<u>1,140,635</u>	<u>2,926,979</u>
<u>\$ 868,875</u>	<u>\$ 1,884,017</u>	<u>\$ 5,124,843</u>

OSCODA COUNTY
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Assets of
Governmental Activities on the Statement of Net Assets
DECEMBER 31, 2006

Fund balances - total governmental funds	\$ 2,926,979
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Add - capital assets	4,314,083
Deduct - accumulated depreciation	(2,477,268)
Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	<u>(59,301)</u>
Net assets of governmental activities	<u>\$ 4,704,493</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2006

	General Fund	Ambulance Fund
Revenue:		
Taxes	\$ 2,461,731	\$ 152,384
Licenses and permits	8,327	-0-
Federal	61,932	-0-
State	423,371	-0-
Charges for services	541,093	352,274
Fines and forfeits	10,215	-0-
Interest earned	52,752	14,604
Rents and royalties	7,420	-0-
Reimbursements and refunds	17,596	-0-
Other	-0-	-0-
Total Revenue	<u>3,584,437</u>	<u>519,262</u>
Expenditures:		
Legislative	130,258	-0-
Judicial	480,299	-0-
General government	1,114,309	-0-
Public safety	1,275,374	531,237
Health and welfare	168,234	-0-
Recreation and cultural	-0-	-0-
Other	287,142	-0-
Total Expenditures	<u>3,455,616</u>	<u>531,237</u>
Excess:		
Revenue over (under) expenditures	<u>128,821</u>	<u>(11,975)</u>
Other Financing Sources:		
Operating transfers in	448,660	42,468
Operating transfers out	<u>(289,281)</u>	<u>(20,205)</u>
Total Other Financing Sources (Uses)	<u>159,379</u>	<u>22,263</u>
Excess:		
Revenue and other financing sources over (under) expenditures and other financing uses	288,200	10,288
Fund balance (deficit) - January 1	<u>372,696</u>	<u>236,653</u>
Fund balance (deficit) - December 31	<u>\$ 660,896</u>	<u>\$ 246,941</u>

The accompanying notes are an integral part of these financial statements.

HUD Fund	Revenue Sharing Reserve	Other Funds	Totals
\$ -0-	\$ 608,905	\$ 374,515	\$ 3,597,535
-0-	-0-	98,228	106,555
27,696	-0-	72,200	161,828
60,367	-0-	460,045	943,783
-0-	-0-	120,885	1,014,252
-0-	-0-	90,483	100,698
-0-	39,863	37,296	144,515
-0-	-0-	-0-	7,420
-0-	-0-	-0-	17,596
67,370	-0-	126,566	193,936
<u>155,433</u>	<u>648,768</u>	<u>1,380,218</u>	<u>6,288,118</u>
-0-	-0-	-0-	130,258
-0-	-0-	117,754	598,053
-0-	-0-	35,806	1,150,115
-0-	-0-	381,597	2,188,208
167,994	-0-	563,798	900,026
-0-	-0-	247,103	247,103
-0-	-0-	-0-	287,142
<u>167,994</u>	<u>-0-</u>	<u>1,346,058</u>	<u>5,500,905</u>
<u>(12,561)</u>	<u>648,768</u>	<u>34,160</u>	<u>787,213</u>
-0-	-0-	246,813	737,941
<u>-0-</u>	<u>(233,989)</u>	<u>(40,466)</u>	<u>(583,941)</u>
<u>-0-</u>	<u>(233,989)</u>	<u>206,347</u>	<u>154,000</u>
(12,561)	414,779	240,507	941,213
<u>22,193</u>	<u>454,096</u>	<u>900,128</u>	<u>1,985,766</u>
<u>\$ 9,632</u>	<u>\$ 868,875</u>	<u>\$ 1,140,635</u>	<u>\$ 2,926,979</u>

OSCODA COUNTY
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
FOR THE YEAR ENDED DECEMBER 31, 2006

Net change in fund balances - total governmental funds \$ 941,213

Amounts reported for governmental activities in the
statement of net assets are different because:

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense.

Add - capital outlay	243,266
Deduct - depreciation expense	(247,014)

Some expenses reported in the statement of activities do
not require the use of current financial resources and
therefore are not reported as expenditures in the funds.

Add - decrease in the accrual for compensated absences	<u>3,069</u>
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Change in net assets of governmental activities	<u><u>\$ 940,534</u></u>
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The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ 474,128	\$ 220,289
Prepaid expenses	28,189	33,775
Interest receivable	12,014	9,205
Due from other governmental units	88,881	183,584
Due from other funds	19,858	19,858
Taxes receivable	560,021	1,624,673
EDC revolving loans	<u>-0-</u>	<u>145,832</u>
Total Assets	<u>\$ 1,183,091</u>	<u>\$ 2,237,216</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 94,858	\$ 107,189
Due to other funds	3,041	3,041
Accrued liabilities	28,839	25,410
Deferred revenue	<u>395,457</u>	<u>1,728,880</u>
Total Liabilities	<u>522,195</u>	<u>1,864,520</u>
Fund Equity:		
Fund balance:		
Reserved for family counseling	20,274	19,894
Reserved for district court		
caseflow assistance	14,337	12,853
Reserved for forest service	9,146	16,262
Reserved for EDC revolving loans	-0-	7,125
Undesignated	<u>617,139</u>	<u>316,562</u>
Total Fund Equity	<u>660,896</u>	<u>372,696</u>
Total Liabilities and Fund Equity	<u>\$ 1,183,091</u>	<u>\$ 2,237,216</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Taxes	\$ 2,381,215	\$ 2,481,215	\$ 2,461,731	\$ (19,484)
Licenses and permits	11,000	11,000	8,327	(2,673)
Federal	120,820	92,820	61,932	(30,888)
State	302,036	399,900	423,371	23,471
Charges for services	426,931	424,661	541,093	116,432
Fines and forfeitures	13,000	13,000	10,215	(2,785)
Interest earned	20,000	20,000	52,752	32,752
Rents	6,600	6,600	7,420	820
Reimbursements and refunds	7,584	400	17,596	17,196
Total Revenue	<u>3,289,186</u>	<u>3,449,596</u>	<u>3,584,437</u>	<u>134,841</u>
Expenditures:				
Legislative	112,081	130,565	130,258	307
Judicial	455,345	490,298	480,299	9,999
General government	1,112,419	1,159,143	1,114,309	44,834
Public safety	1,225,822	1,346,925	1,275,374	71,551
Health and welfare	198,276	169,206	168,234	972
Other	427,305	449,171	287,142	162,029
Total Expenditures	<u>3,531,248</u>	<u>3,745,308</u>	<u>3,455,616</u>	<u>289,692</u>
Excess:				
Revenues over (under) expenditures	<u>(242,062)</u>	<u>(295,712)</u>	<u>128,821</u>	<u>424,533</u>
Other Financing Sources (Uses):				
Operating transfers in	177,500	360,979	448,660	87,681
Operating transfers out	<u>(288,746)</u>	<u>(350,114)</u>	<u>(289,281)</u>	<u>60,833</u>
Total Other Financing Sources (Uses)	<u>(111,246)</u>	<u>10,865</u>	<u>159,379</u>	<u>148,514</u>
Excess:				
Revenue and other financing sources over (under) expenditures and other financing uses	<u>(353,308)</u>	<u>(284,847)</u>	<u>228,200</u>	<u>573,047</u>
Fund balance (deficit) - January 1	<u>372,696</u>	<u>372,696</u>	<u>372,696</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 19,388</u>	<u>\$ 87,849</u>	<u>\$ 660,896</u>	<u>\$ 573,047</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
AMBULANCE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 263,745	\$ 251,739
Accounts receivable	323,900	310,169
Prepaid expenses	783	996
Interest receivable	-0-	864
Due from other funds	1,890	1,890
Taxes receivable	<u>171,006</u>	<u>152,204</u>
Total Assets	<u>\$ 761,324</u>	<u>\$ 717,862</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 5,933	\$ 7,186
Accrued liabilities	6,628	4,734
Due to other funds	6,916	6,916
Deferred revenue	<u>494,906</u>	<u>462,373</u>
Total Liabilities	<u>514,383</u>	<u>481,209</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>246,941</u>	<u>236,653</u>
Total Fund Equity	<u>246,941</u>	<u>236,653</u>
Total Liabilities and Fund Equity	<u>\$ 761,324</u>	<u>\$ 717,862</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
AMBULANCE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Property taxes	\$ 145,250	\$ 145,250	\$ 152,384	\$ 7,134
Ambulance fees	237,500	237,500	352,274	114,774
Interest	<u>4,000</u>	<u>4,000</u>	<u>14,604</u>	<u>10,604</u>
Total Revenue	<u>386,750</u>	<u>386,750</u>	<u>519,262</u>	<u>132,512</u>
Expenditures:				
Salaries	221,321	251,069	234,903	16,166
Fringes	43,441	43,728	43,965	(237)
Supplies	18,800	28,800	30,243	(1,443)
Repair and maintenance	6,700	6,700	11,759	(5,059)
Uniforms and laundry	3,200	3,200	4,206	(1,006)
Employee training	1,700	1,700	2,555	(855)
Gas and oil	9,500	14,500	14,841	(341)
Contractual service	42,000	136,000	138,894	(2,894)
Physicals	150	150	100	50
Travel	450	450	318	132
Insurance	6,700	6,700	7,761	(1,061)
Utilities	1,800	1,800	3,133	(1,333)
Capital outlay	5,300	36,466	31,166	5,300
Miscellaneous	<u>6,700</u>	<u>6,700</u>	<u>7,393</u>	<u>(693)</u>
Total Expenditures	<u>367,762</u>	<u>537,963</u>	<u>531,237</u>	<u>6,726</u>
Excess:				
Revenues over (under) expenditures	18,988	(151,213)	(11,975)	139,238
Other financing Sources (Uses):				
Operating transfers in	-0-	42,468	42,468	-0-
Operating transfers out	<u>-0-</u>	<u>(20,205)</u>	<u>(20,205)</u>	<u>-0-</u>
Total other financing sources (uses)	<u>-0-</u>	<u>22,263</u>	<u>22,263</u>	<u>-0-</u>
Excess:				
Revenues and other financing sources over (under) expenditures and other financing uses	18,988	(128,950)	10,288	139,238
Fund Balance (deficit) - January 1	<u>236,653</u>	<u>236,653</u>	<u>236,653</u>	<u>-0-</u>
Fund Balance (deficit) - December 31	<u>\$ 255,641</u>	<u>\$ 107,703</u>	<u>\$ 246,941</u>	<u>\$ 139,238</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
HUD FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 71,097	\$ 47,178
Loans receivable	<u>356,439</u>	<u>415,113</u>
Total Assets	<u>\$ 427,536</u>	<u>\$ 462,291</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 12,714	\$ 16,848
Due to other funds	8,137	8,137
Due to state	40,614	-0-
Deferred revenue	<u>356,439</u>	<u>415,113</u>
Total Liabilities	<u>417,904</u>	<u>440,098</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>9,632</u>	<u>22,193</u>
Total Fund Equity	<u>9,632</u>	<u>22,193</u>
Total Liabilities and Fund Equity	<u>\$ 427,536</u>	<u>\$ 462,291</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
 HUD FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Federal	\$ 133,150	\$ 133,150	\$ 27,696	\$ (105,454)
State	125,000	125,000	60,367	(64,633)
Loan repayments	35,695	35,695	58,675	22,980
Other	<u>-0-</u>	<u>-0-</u>	<u>8,695</u>	<u>8,695</u>
Total Revenue	<u>293,845</u>	<u>293,845</u>	<u>155,433</u>	<u>(138,412)</u>
Expenditures:				
Salaries and per diem	19,875	24,298	23,668	630
Fringes	6,830	8,480	7,067	1,413
Supplies	1,250	1,250	6,884	(5,634)
Contractual services	<u>226,260</u>	<u>226,261</u>	<u>130,375</u>	<u>95,886</u>
Total Expenditures	<u>254,215</u>	<u>260,289</u>	<u>167,994</u>	<u>92,295</u>
Excess:				
Revenue over (under) expenditures	39,630	33,556	(12,561)	(46,117)
Fund balance (deficit) - January 1	<u>22,193</u>	<u>22,193</u>	<u>22,193</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 61,823</u>	<u>\$ 55,749</u>	<u>\$ 9,632</u>	<u>\$ (46,117)</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
COUNTY REVENUE SHARING RESERVE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and investments	\$ 860,562	\$ 454,096
Interest receivable	<u>8,313</u>	<u>-0-</u>
Total Assets	<u>\$ 868,875</u>	<u>\$ 454,096</u>
FUND EQUITY		
Fund Balance:		
Undesignated	<u>\$ 868,875</u>	<u>\$ 454,096</u>
Total Fund Equity	<u>\$ 868,875</u>	<u>\$ 454,096</u>

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Property taxes	\$ -0-	\$ -0-	\$ 608,905	\$ 608,905
Interest	<u>-0-</u>	<u>-0-</u>	<u>39,863</u>	<u>39,863</u>
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>648,768</u>	<u>648,768</u>
Other Financing Sources (Uses):				
Operating transfers out	<u>-0-</u>	<u>-0-</u>	<u>(233,989)</u>	<u>(233,989)</u>
Total Other Financing Uses	<u>-0-</u>	<u>-0-</u>	<u>(233,989)</u>	<u>(233,989)</u>
Excess:				
Revenue over (under) other financing sources (uses)	-0-	-0-	414,779	414,779
Fund Balance (Deficit) - January 1	<u>454,096</u>	<u>454,096</u>	<u>454,096</u>	<u>-0-</u>
Fund Balance (Deficit) - December 31	<u>\$ 454,096</u>	<u>\$ 454,096</u>	<u>\$ 868,875</u>	<u>\$ 414,779</u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
100% TAX PAYMENT ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 1,369,627	\$ 1,389,914
Investments	425,429	363,315
Taxes receivable	349,720	304,104
Interest receivable	8,451	8,014
Due from other governmental units	<u>5,031</u>	<u>283</u>
Total Assets	<u>2,158,258</u>	<u>2,065,630</u>
LIABILITIES		
Liabilities:		
Due to other governmental units	<u>12,311</u>	<u>24,896</u>
Total Liabilities	<u>12,311</u>	<u>24,896</u>
NET ASSETS		
Restricted for delinquent property collections	67,796	9,794
Unrestricted	<u>2,078,151</u>	<u>2,030,940</u>
Total Net Assets	<u><u>\$ 2,145,947</u></u>	<u><u>\$ 2,040,734</u></u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
 100% TAX PAYMENT ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2006 AND COMPARISON TO DECEMBER 31, 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues:		
Penalties on taxes	\$ 64,585	\$ 62,475
Collection fees	<u>147,398</u>	<u>80,091</u>
Total Operating Revenues	<u>211,983</u>	<u>142,566</u>
Operating Expenses:		
Administrative costs	<u>40,843</u>	<u>37,128</u>
Total Operating Expenses	<u>40,843</u>	<u>37,128</u>
Operating Income	<u>171,140</u>	<u>105,438</u>
Nonoperating Revenue (Expenses):		
Interest revenue	88,073	56,075
Operating transfers	<u>(154,000)</u>	<u>(245,779)</u>
Total Nonoperating Revenue (Expenses)	<u>(65,927)</u>	<u>(189,704)</u>
Net Income (Loss)	105,213	(84,266)
Net Assets - January 1	<u>2,040,734</u>	<u>2,125,000</u>
Net Assets - December 31	<u><u>\$ 2,145,947</u></u>	<u><u>\$ 2,040,734</u></u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
 100% TAX PAYMENT ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2006 AND COMPARISON TO DECEMBER 31, 2005

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 105,213	\$ (84,266)
Adjustments to reconcile net income to net cash flows from operating activities:		
Changes in assets and liabilities:		
Decrease (increase) in taxes receivable	(45,616)	(15,099)
Decrease (increase) in interest receivable	(437)	(4,629)
Decrease (increase) in due from other governmental units	(4,748)	658
Increase (decrease) in due to other governmental units	<u>(12,585)</u>	<u>24,896</u>
Net Cash Provided From (Used For) Operating Activities	<u>41,827</u>	<u>(78,440)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	41,827	(78,440)
Cash and Cash Equivalents at January 1	<u>1,753,229</u>	<u>1,831,669</u>
Cash and Cash Equivalents at December 31	<u><u>\$ 1,795,056</u></u>	<u><u>\$ 1,753,229</u></u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
STATEMENT OF FIDUCIARY FUND NET ASSETS
AGENCY FUNDS
DECEMBER 31, 2006

ASSETS

Cash demand and time deposits	<u>\$ 462,738</u>
Total Assets	<u><u>\$ 462,738</u></u>

LIABILITIES

Due to governmental units	\$ 53,322
Undistributed collections	365,875
Other current liabilities	<u>43,541</u>
Total Liabilities	<u><u>\$ 462,738</u></u>

The accompanying notes are an integral part of these financial statements.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

DESCRIPTION OF COUNTY OPERATIONS AND FUND TYPES

The County was organized in 1881 and covers an area of approximately 565 square miles with the County seat located in Mio, Michigan. The County operates under an elected Board of Commissioners of five (5) members and provides services, assistance and care to its more than 9,298 residents, primarily from the operations of its General Fund and Special Revenue Funds. The County's services, assistance and care include the (1) general county departments, boards and commissions; (2) court system administration; (3) law enforcement and corrections; (4) assistance and/or institutional care to the aged, needy, wards of the court and neglected children, public and mental health recipients; (5) libraries, and (6) recreation.

REPORTING ENTITY

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity," these financial statements present Oscoda County (primary government) and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

COMPONENT UNITS - In conformity with generally accepted accounting principles, the financial statements of Component Units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

DISCRETELY PRESENTED COMPONENT UNITS - The Component Units' Columns in the Combined Financial Statements include the financial data of the Oscoda County Road Commission. These financial statements are reported in a separate column to emphasize that they are legally separate from the County.

OSCODA COUNTY ROAD COMMISSION: The Road Commission operates under an elected Board of Commissioners; however, the Road Commission is fiscally dependent on the County because treasury functions are maintained by the County Treasurer, the County approval is needed for entering into certain types of debt, and it would be misleading to exclude these financial statements from the Reporting Entity's financial statements. Copies of the separately audited financial statements of the Road Commission can be obtained at their business office located at 308 W. 8th Street, Mio, Michigan, 48647.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

JOINT VENTURE - Oscoda County was an equal participant with Montmorency County in a joint venture to operate a sanitary landfill. The landfill was governed by representatives of both Counties. Each County had an equal ownership of the landfill and an ongoing financial responsibility. Treasury functions, were maintained by the Montmorency County Treasurer. During 1999, a landfill authority was established which includes Montmorency and Alpena County. All Treasury functions are the responsibility of Montmorency County. According to Governmental Accounting Standard Board Statement No. 14, the Landfill Authority is included in the Montmorency County financial statements. A copy of the financial statements can be obtained from the Montmorency County Clerk, Atlanta, Michigan 49709.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expenses are charged based upon a County-wide cost allocation plan which allocates costs based upon the number of full time equivalents, number of transactions, and other pertinent information. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION: The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. After March 1 of the year for which they were levied, the Delinquent Tax Revolving Fund pays the County for any outstanding taxes as of that date. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered to be available when all eligibility requirements imposed by the provider have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and select compensated absences are recorded only when payment is due.

Property taxes, intergovernmental revenue, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Ambulance Fund - This fund is used to account for revenue collected and operational expenses for the ambulance service provided by Oscoda County.

HUD Fund - This fund is used to account for the mortgage receivables and related program income and expenses for the housing grants administered by the County.

County Revenue Sharing Reserve Fund - This fund was established to account for the portion of General Fund property taxes levied in the summer to replace the State Revenue Sharing payments from the State of Michigan.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED):

The County reports the following major enterprise fund:

Tax Payment Fund - This fund is used to pay each local governmental unit, including the County General Fund, the respective amount of taxes not collected as of March 1 of each year. Financing is provided by subsequent collection of delinquent property taxes by the County Treasurer.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for revenue from specific revenue sources (other than major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

Agency Funds are used to account for assets held on behalf of outside parties, including other governments.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are interest and penalties on delinquent taxes and charges for services provided. Operating expenses for the enterprise funds consist of administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

BUDGETS AND BUDGETARY ACCOUNTING - Except as noted, all fund types and funds are under direct or superintending budgetary control of the County Board of Commissioners. Certain funds budgets are controlled by other County boards or commissions and/or department heads and certain program budgets are in effect for fiscal periods other than the County's fiscal year.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Governing board of commissions and/or department heads responsible for certain fund budgets transmit the budgetary information to the County Board of Commissioners for review and inclusion in the County's General and Special Appropriations Acts as required by the Uniform Budgeting and Accounting Act - Michigan Public Act 621 of 1978.

In accordance with the Uniform Budgeting and Accounting Act the County Board of Commissioners is responsible for all County funds except the County Road Fund which is the responsibility of the Board of County Road Commissioners and the Library Fund is the responsibility of the Library Board.

The County, through its appointed chief administrative and chief fiscal officer, follows the requirements of the Uniform Budgeting and Accounting Act in the preparation and execution of its annual budget. Any violations are disclosed in audits of the County's financial statements as required by law.

The budgets for the County's governmental fund types were adopted on a basis consistent with modified accrual basis of accounting consistent with the actual financial statements for the funds. The General Fund and Special Revenue Funds' budgets were reviewed and amended periodically throughout the year.

ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

INVENTORY - County Road Commission (Component Unit) road equipment parts and materials inventory items are stated at cost and utilized the first-in, first-out method of accounting when used. All other inventories, including the cost of supplies for other County funds are recorded as expenditures at the time of purchase.

CAPITAL ASSETS - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exists. Donated capital assets are valued at their estimated fair value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation on the capital assets (including infrastructure) of the primary government, as well as the component units, is computed using the straight-line or sum-of-the-years digits method over the following estimated useful lives:

	<u>Years</u>
Land improvements	20
Buildings	30-50
Public domain infrastructure	8-50
Equipment	3-20

DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet earned.

PROPERTY TAXES

Assessed property values are established annually (the first Monday in March) by the local units of government and equalized by the State at an estimated 50% of current market value. Property taxable value is determined in accordance with (MCL 211.34d). The property taxes are levied based on taxable value on December 1, and are payable without penalty through the following February 28.

Real property taxes not paid by February 28 are purchased by the County as part of the March tax settlement. County property taxes are recognized as revenue in the current fiscal year when services financed by the levy are being provided.

The December 2005 taxable valuation of Oscoda County amounted to \$342,012,558 on which ad valorem taxes of 5.9857 mills were levied for operations, .2321 mills for Sheriff Equipment, .9863 mills for Sheriff operations, .4518 mills for the Commission on Aging, .4785 mills for Ambulance operations and .4931 mills for the Ambulance Equipment.

During 2005 the County was required by Public Act 357 of 2004, to set aside one-third of the December 2004 levy from County operations into a new fund called the Revenue Sharing Reserve Fund, leaving two-thirds of the levy for County General Fund operations. In July 2005, the County levied one-third of the property taxes for County operations and these funds were used to fund operations for the 2005 fiscal year. For the December 1, 2005 levy, the County levied two-thirds of the total number of mills allocated for County operations, with \$609,087 going into the Revenue Sharing Reserve Fund and the remaining amount going into the General Fund to cover fiscal year 2006 operations. In July 2006, the County levied two-thirds of the total number of mills allocated for County operations and the proceeds from this levy funded County operations for the 2006 fiscal year. For the December 1, 2006 levy, the County levied one-third of the total number of mills allocated for County operations, with \$609,087 going into the Revenue Sharing Reserve Fund and the remaining amount going into the County General Fund to cover fiscal year 2007 operations. In July 2007, the County will levy the entire allocated County operating mills, which will be used to cover County operations for the 2007 fiscal year. For fiscal years 2007 and beyond, the County's operating mills will be levied as part of the July levy, leaving only the extra voted mills to be levied each December.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES (CONTINUED)

Because County operating mills will be levied on July 1st for each fiscal year ended December 31st, it is Roscommon County's policy to recognize revenue from the current tax levy in the current tax levy in the current year when the proceeds of this levy are budgeted and made available for financing operations. Available means collected within the current period or expected to be paid from the delinquent tax revolving fund within one year.

The Revenue Sharing Reserve Fund will be funded by property taxes in the amount of \$1,827,261 over a three-year period and will be used to transfer amounts annually to the General Fund in lieu of the County receiving State revenue sharing payments. The amounts to be transferred to the General Fund will be determined by the State of Michigan annually, an amount of \$233,989 was transferred for fiscal year 2006. The County estimates that the Revenue Sharing Reserve Fund will be depleted during the 2015 fiscal year.

INTERNAL BALANCES - Any residual balances outstanding between the governmental activities and business-type activity are reported in the government-wide financial statements as "internal balances."

LONG-TERM OBLIGATIONS - In the government-wide financial statements and proprietary fund type statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For new bond issuances after the implementation of GASB Statement No. 34, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

OTHER FINANCING SOURCES AND USES - The transfers of cash between the various County funds are budgeted but reported separately from revenues and expenditures as operating transfers in or (out), unless they represent temporary advances that are to be repaid, in which case, they are carried as assets and liabilities of the advancing or borrowing funds.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE B - EXCESS EXPENDITURES OVER APPROPRIATIONS

Public Act 621 of 1978, section 18 (1), as amended, provides that a County shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the County's actual expenditures and budgeted expenditures for the General Fund has been shown on a functional basis. The approved budget of the County for the General Fund was adopted on an activity and/or program level. During the year ended December 31, 2006, the General Fund and three of the County's Special Revenue Funds incurred functional expenditures which were in excess of amounts appropriated as follows:

<u>Fund/Function</u>	<u>Total Appropriations</u>	<u>Amount Expended</u>	<u>Budget Variance</u>
General Fund:			
Legislative:			
Board of commissioners	\$ 96,278	\$ 96,752	\$ (474)
Judicial:			
Family Court	\$ 124,184	\$ 129,517	\$ (5,333)
Probate Court	\$ 115,265	\$ 116,905	\$ (1,640)
Public Safety:			
Planning committee	\$ 18,025	\$ 22,343	\$ (4,318)
Health and Welfare:			
Substance abuse	\$ 23,285	\$ 23,616	\$ (331)
District health dept	\$ 60,196	\$ 61,436	\$ (1,240)
Special Revenue Funds:			
County revenue sharing reserve	\$ -0-	\$ 233,989	\$ (233,989)
Park	\$ 145,739	\$ 145,756	\$ (17)
Historical commission	\$ 5,055	\$ 5,177	\$ (122)

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE C - CASH AND INVESTMENTS

The captions on the combined balance sheet related to deposits and investments are as follows:

	<u>Cash and Deposits</u>	<u>Investments</u>	<u>Total</u>
Primary Government:			
Government activities	\$ 2,619,967	\$ 206,808	\$ 2,826,775
Business-type activities	1,369,627	425,429	1,795,056
Agency funds	462,738	-0-	462,738
Component Units:			
Road commission	<u>342,254</u>	<u>-0-</u>	<u>342,254</u>
Total	<u>\$ 4,794,586</u>	<u>\$ 632,237</u>	<u>\$ 5,426,823</u>

The Government Accounting Standards Board Statement No. 3, risk disclosures for Oscoda County's cash deposits are as follows:

	<u>Carrying Amount</u>		
	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total</u>
Insured (FDIC)	\$ 1,211,486	\$ 100,010	\$ 1,311,496
Uninsured and uncollateralized	<u>3,240,846</u>	<u>242,244</u>	<u>3,483,090</u>
Total Deposits	<u>\$ 4,452,332</u>	<u>\$ 342,254</u>	<u>\$ 4,794,586</u>
	<u>Bank Balances</u>		
Insured (FDIC)	\$ 1,212,540	\$ 100,010	\$ 1,312,550
Uninsured and uncollateralized	<u>3,400,371</u>	<u>229,563</u>	<u>3,629,934</u>
Total Deposits	<u>\$ 4,612,911</u>	<u>\$ 329,573</u>	<u>\$ 4,942,484</u>

Deposits - At year-end, the carrying amount of the County's deposits was \$4,794,586 and the bank balance was \$4,942,484. According to Section 330.8 of the Federal Deposit Insurance Corporation Rules and Regulations, approximately 26% of the total bank balance was covered by federal depository insurance.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE C - CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Michigan law and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Michigan law and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

Interest Rate Risk

The County has not adopted a policy that indicates how the County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by limiting the weighted average maturity of its investment portfolio to less than a given period of time.

Concentration of Credit Risk

The County has not adopted a policy that indicates how the County will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the County's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE C - CASH AND INVESTMENTS (CONTINUED)

Investments - Act 217, PA 1982, authorizes the County to deposit and invest in the following:

- (a) bonds and other direct obligations of the United States or its agencies
- (b) certificates of deposit, savings accounts, deposit accounts, or depository receipts of federally insured banks, insured savings and loan associations or credit unions insured by the national credit union administration that are eligible to be depository of surplus money belonging to the State under section 5 or 6 of Act 105, PA 1855, as amended (MCL 21.145 and 21.146)
- (c) Commercial paper rated at time of purchase within the three highest classifications established by not less than two standard rating services. Maturity cannot be more than 270 days after purchase.
- (d) United States government or Federal agency obligation repurchase agreements
- (e) bankers' acceptance of United States banks
- (f) mutual funds composed of investments which are legal for direct investments by local units of government in Michigan.

The County's investments are categorized below to give an indication of the level of risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the County's name.

	Category			Amount	Market Value
	1	2	3		
Risk - Categorized	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Categorized Investments	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	-0-	-0-
Non Risk - Categorized					
MBIA govt trust				315,479	315,479
American freedom funds				109,950	109,950
AIM govt cash management fund				<u>206,808</u>	<u>206,808</u>
Total Investments				<u>\$ 632,237</u>	<u>\$ 632,237</u>

The non-categorized investments are the County's share of investment pools which were made up of U.S. Treasury, Agencies, and instrumentalities, commercial paper, banker's acceptances, and repurchase agreements which were not in the name of the County.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable consisted of amounts due from various sources of Ambulance receivables of \$323,900 and Emergency Services of \$3,730 totaling \$327,630.

The Ambulance receivables are offset by deferred revenue due to a question of their collectability.

NOTE E - DUE FROM OTHER GOVERNMENTAL UNITS

Due from other governmental units consists of amounts due from the Federal Government of \$759, and the State of Michigan of \$172,293, totaling \$173,052.

NOTE F - LONG-TERM MORTGAGE RECEIVABLE

Special Revenue Housing Fund mortgage receivable offset by deferred revenue amounts to \$356,439. Oscoda County received various Community Development Block Grants in prior years with the intent to upgrade certain qualified aging homes. Certain homes are secured with mortgages and grants with liens to qualified applicants. The mortgage interest rates varying from 0% to 3% and the grant with liens are payable upon transfers of title.

NOTE G - EDC REVOLVING LOAN RECEIVABLE

Oscoda County received a grant of \$150,000 during 2005 and \$71,900 in 2006 from the United States Department of Agriculture to establish an EDC Revolving Loan Program. As of December 31, 2006, there was an outstanding balance of \$203,685 due to the County. This is offset by deferred revenue and is recognized as revenue when payments are received.

NOTE H - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2006 was as follows:

<u>Primary Government</u>	<u>Beginning of year</u>	<u>Increases</u>	<u>Decreases</u>	<u>End of Year</u>
Governmental activities:				
Land	\$ 95,300	\$ -0-	\$ -0-	\$ 95,300
Total capital assets, not being depreciated	95,300	-0-	-0-	95,300
Capital assets, being depreciated:				
Building and improvements	2,534,843	44,711	-0-	2,579,554
Machinery and equipment	613,692	85,811	-0-	699,503
Vehicles	851,982	112,744	25,000	939,726
Total capital assets, being depreciated	4,000,517	243,266	25,000	4,218,783
Less accumulated depreciation for:				
Buildings and improvements	1,223,292	88,656	-0-	1,311,948
Machinery and equipment	347,181	78,525	-0-	425,706
Vehicles	684,781	79,833	25,000	739,614
Total accumulated depreciation	2,255,254	247,014	25,000	2,477,268
Net capital assets, being depreciated	1,745,263	(3,748)	-0-	1,741,515
Net governmental activities capital assets	\$ 1,840,563	\$ (3,748)	\$ -0-	\$ 1,836,815

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE H - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Legislative	\$ 4,859
Judicial	1,393
General government	56,259
Public safety	146,217
Recreation and cultural	<u>38,286</u>
Total depreciation expense - governmental activities	<u>\$ 247,014</u>

NOTE I - PENSION PLANS

PRIMARY GOVERNMENT

Plan Description - Oscoda County participates in a defined benefit retirement plan administered by the Municipal Employee's Retirement System (MERS). The plan covers substantially all full-time employees.

The Municipal Employees Retirement System of Michigan (MERS) is a multiple-employer statewide public employee retirement plan created by the State of Michigan to provide retirement, survivor and disability benefits, on a voluntary basis to the State's local government employees in the most efficient and effective manner possible. As such, MERS is a non-profit entity qualified under section 401(a) of the Internal Revenue Code, which has the responsibility of administering the law in accordance with the expressed intent of the Legislature and bears a fiduciary obligation to the State of Michigan, the taxpayers and the public employees who are its beneficiaries.

The passage of HB-5525/Act No. 220, with enactment on May 28, 1996, allowed the members of MERS to vote on and determine if MERS should become an independent public corporation. The vote resulted in approval to become independent of State control and MERS began to operate as an independent public corporation effective August 15, 1996. MERS issues a financial report, available to the public, that includes financial statements and required supplementary information for the system. A copy of the report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Actuarial Accrued Liability - The actuarial accrued liability was determined as part of an actuarial valuation of the plan as of December 31, 2006. Significant actuarial assumptions used in determining the investment of present and future assets of 8.0%, (b) projected salary increases of 4.5% per year compounded annually, attributable to inflation, and (c) additional projected salary increases of 0.0% to 4.2% per year, depending on age, attributable to seniority/merit and (d) the assumption that benefits will increase 2.5% annually after retirement.

All entries are based on the actuarial methods and assumption that were used in the December 31, 2006 actuarial valuation to determine the annual employer contribution amounts. The entry age normal actuarial method was used to determine the entries at disclosure.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE I - PENSION PLANS (CONTINUED)

GASB 25 INFORMATION (as of 12/31/06)

Actuarial Accrued Liability:

Retirees and beneficiaries currently receiving benefits	\$ 2,866,007
Terminated employees not yet receiving benefits	898,409
Non-vested terminated employees	6,075
Current Employees:	
Accumulated employee contributions including allocated investment income	350,038
Employer financed	<u>3,054,602</u>
Total actuarial accrued liability	7,175,131
Net assets available for benefits, at actuarial value (Market value is \$5,618,167)	<u>5,540,659</u>
Unfunded (over funded) actuarial accrued liability	<u><u>\$ 1,634,472</u></u>

GASB 27 INFORMATION (as of 12/31/06)

Fiscal year beginning	January 1, 2008
Annual required contribution (ARC)	\$ 210,576
Amortization factor used	0.054719

Contributions Required and Contributions Made - MERS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment for the fiscal year ended December 31, 2006 were determined using the entry age normal actuarial funding method. Unfunded actuarial accrued liabilities, if any, were amortized as a level percent of payroll over a period of 30 years. The following table provides a schedule of contribution amounts and percentages for recent years.

Annual Pension Cost

<u>Year Ended December 31</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation</u>
2004	\$ 208,747	100%	-0-
2005	\$ 210,880	100%	-0-
2006	\$ 212,659	100%	-0-

The County was required to contribute \$212,659 for the year ended December 31, 2006. Payments were based on contribution calculations made by MERS.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE I - PENSION PLAN (CONTINUED)

Aggregate Accrued Liabilities - Comparative Schedule

Actuarial Valuation Date <u>December 31</u>	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % Of Covered Payroll
2004	\$ 4,853,054	\$ 6,565,467	\$ 1,712,413	74%	\$1,407,697	122%
2005	5,154,367	6,841,511	1,687,144	75%	1,434,537	118%
2006	5,540,659	7,175,131	1,634,472	77%	1,494,480	109%

For actuarial valuation purposes, the actuarial value of assets is determined on the basis of a calculation method that assumes the fund earns the expected rate of return (8%), and includes an adjustment to reflect market value.

Actuarial assumptions for MERS valuations were revised for the 1993, 1997, 2000, and 2004 valuations. The funding method was changed to entry age normal for the 1993 valuation.

County Road - Component Unit

The Oscoda County Road Commission provides pension benefits for all of its full time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Road Commission Plan requires the employer to contribute a specific amount per employee, per month. The contribution for each hourly employee (all are covered by a collective bargaining agreement) was \$25.00 per month for the period of January 1, 2006 - December 31, 2006. The contribution for each salaried employee is \$400.00 per month. The plan does not allow the employees to make contributions. The Road Commission's contributions for each employee (and interest allocated to the employee's account) are fully vested upon the employee's entrance into the plan. The plan assets are shown at market value.

The Road Commission, on April 1, 2000, began covering the hourly employees through a defined benefit plan administered by the Steelworkers Pension Trust. The contribution rate for each employee is \$160 per month until October, 2001, when the rate became \$170 per month.

The Oscoda County Road Commission's total payroll for the year ended December 31, 2006 was \$888,934. The Road Commission's contributions were computed on the base earnings amount of \$856,395. The Road Commission deposited the required amount of \$37,675 to the defined contribution plan and \$38,930 and to the Steelworkers Pension Trust.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE J - LONG-TERM DEBT

Following is a summary of pertinent information concerning the County's long-term debt:

LEGAL DEBT MARGIN

Article 7, Section 11 of the Constitution of Michigan of 1963 states that, "No County shall incur any indebtedness which shall increase its total debt beyond 10 percent of its assessed valuation." In addition, Section 46.11b(2) of Compiled Laws of 1979 as amended concerning the purchases of land, property or equipment for a period of 10 years or less states in part: The aggregate outstanding balance shall not exceed $\frac{1}{2}$ of 1% of the equalized assessed value balance. Following is an analysis of the County Legal Debt Margin as of December 31, 2006. The County is in compliance with the aforementioned State of Michigan Statutes.

	<u>2006 State Equalized Value</u>	<u>Debt Limit 10%</u>	<u>Outstanding Debt</u>	<u>Legal Debt Margin</u>
Computation	<u>\$ 510,883,384</u>	<u>\$ 51,088,338</u>	<u>\$ 140,340</u>	<u>\$ 50,947,998</u>

Outstanding Debt Descriptions:

	<u>Primary Government</u>	<u>Road Commission</u>	<u>Total</u>
General Obligation:			
Compensated absences	<u>\$ 59,301</u>	<u>\$ 81,039</u>	<u>\$ 140,340</u>
Totals	<u>\$ 59,301</u>	<u>\$ 81,039</u>	<u>\$ 140,340</u>

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE J - LONG TERM DEBT (CONTINUED)

CHANGES IN LONG-TERM DEBT

	<u>Balance 1/1/06</u>	<u>Additions</u>	<u>Balance Reductions</u>	<u>12/31/06</u>
<u>PRIMARY GOVERNMENT</u>				
Compensated absence	\$ 62,370	\$ -0-	(1)\$ 3,069	\$ 59,301
Total Primary Government	<u>62,370</u>	<u>-0-</u>	<u>3,069</u>	<u>59,301</u>
<u>COMPONENT UNITS</u>				
<u>Road Commission Component Unit</u>				
Compensated absences	\$ 128,872	\$ -0-	(1)\$ 47,833	\$ 81,039
Total Road Commission Long-term debt	<u>128,872</u>	<u>-0-</u>	<u>47,833</u>	<u>81,039</u>
Total Component Unit Long-term debt	<u>128,872</u>	<u>-0-</u>	<u>47,833</u>	<u>81,039</u>
Total Reporting Entity Long-term debt account group	<u>\$ 191,242</u>	<u>\$ -0-</u>	<u>\$ 50,902</u>	<u>\$ 140,340</u>

(1) Changes in compensated absences are shown as a net addition/reduction.

Contingent Liability - During 2002, the Montmorency - Oscoda - Alpena Solid Waste Management Authority issued \$775,000 of General Obligation Limited Tax Bonds. According to the issuance, Oscoda County has responsibility for the repayment of 1/3 of the balance in the occurrence of a default. The outstanding debt is included in the Authority's annual financial report. No other provisions are recorded in the Oscoda County financial statements.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE K - INTERFUND RECEIVABLES AND PAYABLES

Following is an analysis of the interfund receivables and payables:

<u>Fund Type/Fund</u>	<u>Interfund Receivable</u>	<u>Fund Type/Fund</u>	<u>Interfund Payable</u>
Governmental:		Governmental:	
General Fund	<u>\$ 19,858</u>	Special Revenue:	
		Park Fund	\$ 320
		County Library	3,056
		HUD Fund	8,137
		Ambulance	
		Equipment	2,095
		Basic Grant	6,250
Total	<u>\$ 19,858</u>	Total	<u>\$ 19,858</u>
Special Revenue			
Officer Training	<u>\$ 1,151</u>	General Fund	<u>\$ 1,151</u>
		Special Revenue:	
Ambulance Equipment	<u>\$ 6,916</u>	Ambulance	<u>\$ 6,916</u>
Ambulance Fund	<u>\$ 1,890</u>	General Fund	<u>\$ 1,890</u>
		Special Revenue:	
Basic Grant	<u>\$ 5,000</u>	Child Care	<u>\$ 5,000</u>

NOTE L - RESTRICTED NET ASSETS

Net Asset reserves can be described as follows:

<u>Reserved For</u>	<u>Amount</u>	<u>Description</u>
Primary Government:		
Family counseling	<u>\$ 20,274</u>	Portion of marriage license fee to be used for family counseling.
District court - caseflow Assistance	<u>\$ 14,337</u>	Revenues dedicated to the increase efficiency in processing traffic violations and prevention of drunk driving.
Forest service (Title III)	<u>\$ 12,905</u>	Grant revenues dedicated for search, rescue, emergency services, wildfire prevention and education.
Component Unit:		
County Road Commission	<u>\$ 1,341,501</u>	Amount of County Road Commission Primary and local road funds.

OSCODA COUNTY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2006

NOTE M - POST EMPLOYMENT HEALTH CARE BENEFITS

In addition to the pension benefits described in Note I, the Road Commission provides post-retirement health care benefits for retirees described as follows:

Retirees that retired prior to October 1, 1989 and are covered by Medicare, the Road Commission pays for 100% of insurance supplemental to Medicare.

For retirees retiring after October 1, 1989 the Road Commission pays a percentage of hospitalization insurance for the employee and/or spouse and minor/dependent children. The percentage paid varies between 40% and 100% based upon points earned for age and years of service. This is effective until the retiree reaches age 65, at which point the Road Commission will pay 100% of insurance supplemental to Medicare.

Retirees hired after October 1, 2001 and before October 1, 2005, the Road Commission will pay a percentage hospitalization insurance for the retiree and spouse provided that the employee has 10 years of service. The percentage is computed on whole years of service at the rate of 5% per year.

Retirees hired after October 1, 2005 will be eligible for single subscriber health insurance until age 65, provided they have 20 years of service and are 55 years of age. The Road Commission does not provide health insurance after age 65.

These benefits were established by Board resolution and a union negotiated contract and are funded on a pay-as-you-go basis. The cost for this benefit during the year ended December 31, 2006 was \$214,012 which covered 26 retirees and spouses of deceased retirees.

NOTE N - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As a result of the higher cost of obtaining commercial insurance, the County joined the Michigan Municipal Liability and Property Pool. The Pool was established in 1982 under Public Act 138 of 1982, as amended by Public Act 36 of 1988, to develop and administer a group program of liability and property self insurance for Michigan municipalities. The objectives of the Pool are to establish and administer a municipal risk management service, to lessen the incidence of property and casualty losses occurring in the operation of local governmental functions, and to defend members of the Pool against stated liability or loss. Any city or village which is a member of the Michigan Municipal League or any instrumentality of any city or village or, any governmental city which holds Service Associate States with the League is eligible to participate in the Pool. There are approximately 740 members in the Pool. The Pool is self-sustaining through member premiums and reinsures through NLC Mutual Insurance Company. Settled claims from these risks have not exceeded insurance coverages for the past three years.

The County is also a member of the Michigan Municipal Workers Compensation Fund. This program was formed in 1977 under the sponsorship of the Michigan Municipal League and is subject to the direct supervision and regulation of the Bureau of Workers Disability Compensation and the Michigan Department of Labor. The County has a workers compensation liability coverage of \$500,000.

SUPPLEMENTAL FINANCIAL INFORMATION

OSCODA COUNTY
GENERAL FUND
DETAIL ANALYSIS OF REVENUES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

TAXES:

Current property taxes	\$ 2,336,634	
State in lieu of taxes	53,130	
Federal in lieu of taxes	71,217	
Township in lieu of taxes	<u>750</u>	\$ 2,461,731

LICENSES AND PERMITS:

Licenses	230	
Dog licenses	5,390	
CCW permits	962	
Soil erosion permits	<u>1,745</u>	8,327

FEDERAL:

Forest service - Title III	24,223	
Civil defense	27,709	
USDA rural development grant	<u>10,000</u>	61,932

STATE:

Probate judges salary	20,566	
Judges standardization	5,750	
Secondary road patrol	60,139	
Prosecuting attorney		
cooperative reimbursement	13,585	
P.A. Restitution	9,516	
Juvenile officer	27,317	
Victim's right act	15,500	
Convention facility tax	47,231	
Liquor license	10,190	
Cigarette tax	5,562	
State-aid caseload assistance	10,777	
State court grant	2,208	
Re monumentation grant	49,864	
State court equity funding	53,667	
Marine safety	41,206	
DHS mentoring grants	31,293	
EDC grant	<u>19,000</u>	423,371

OSCODA COUNTY
GENERAL FUND
DETAIL ANALYSIS OF REVENUES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

CHARGES FOR SERVICES:

Circuit court costs and fees	\$ 10,341	
Probate court costs and fees	8,346	
District court costs and fees	253,631	
Family court costs and fees	4,260	
Clerk fees	15,822	
Register of deeds fees	110,438	
Register of deeds transfer tax	41,659	
Monumentation/recording fees	241	
Treasurer fees	3,375	
Sheriff fees	18,331	
Equalization	59,749	
Family counseling	380	
Duplicating / fax	398	
Transport of prisoners	1,178	
Motor pool	2,902	
Dog pick-up	1,540	
Landfill	<u>8,502</u>	\$ 541,093

FINES AND FORFEITURES:

District court bonds	6,915	
Building department bonds	<u>3,300</u>	10,215

INTEREST EARNED:

52,752

RENTS:

7,420

REIMBURSEMENTS AND REFUNDS:

Other	<u>17,596</u>
-------	---------------

Total Revenue 3,584,437

OTHER FINANCING SOURCES:

Operating transfers in:

Basic grant fund	16,250	
Ambulance fund	20,205	
Public improvement fund	10,942	
Ambulance equipment	13,274	
Tax revolving fund	154,000	
Revenue reserve fund	<u>233,989</u>	<u>448,660</u>

TOTAL REVENUE AND OTHER FINANCING SOURCES \$ 4,033,097

OSCODA COUNTY
GENERAL FUND
EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Legislative:				
Board of commissioners	\$ 95,478	\$ 96,278	\$ 96,752	\$ (474)
Executive secretary	<u>16,603</u>	<u>34,287</u>	<u>33,506</u>	<u>781</u>
Total Legislative	<u>112,081</u>	<u>130,565</u>	<u>130,258</u>	<u>307</u>
Judicial:				
Circuit court	85,305	101,955	90,633	11,322
Family court	123,698	124,184	129,517	(5,333)
District court	127,215	143,894	139,149	4,745
Probate court	114,127	115,265	116,905	(1,640)
Jury commission	<u>5,000</u>	<u>5,000</u>	<u>4,095</u>	<u>905</u>
Total Judicial	<u>455,345</u>	<u>490,298</u>	<u>480,299</u>	<u>9,999</u>
General Government:				
Governmental administration	172,342	156,533	135,937	20,596
Cooperative extension	56,197	88,697	88,124	573
County clerk	108,268	112,574	105,400	7,174
Courthouse and grounds	217,476	215,476	209,730	5,746
Elections	17,520	11,520	10,651	869
Equalization	132,908	133,608	132,005	1,603
Motor pool	60,494	61,994	61,670	324
Prosecuting attorney	157,334	164,439	163,887	552
Register of deeds	91,965	111,691	110,054	1,637
Treasurer	<u>97,915</u>	<u>102,611</u>	<u>96,851</u>	<u>5,760</u>
Total General Government	<u>1,112,419</u>	<u>1,159,143</u>	<u>1,114,309</u>	<u>44,834</u>
Public Safety:				
Civil defense	40,764	62,764	61,910	854
Soil erosion	2,035	535	122	413
Dog warden	28,537	28,537	26,584	1,953
Jail	274,250	402,250	374,699	27,551
Marine safety	27,638	26,138	20,979	5,159
Planning commission	18,325	18,025	22,343	(4,318)
ORV enforcement	22,237	21,199	13,012	8,187
Sheriff	749,447	729,888	700,376	29,512
Traffic safety	<u>62,589</u>	<u>57,589</u>	<u>55,349</u>	<u>2,240</u>
Total Public Safety	<u>1,225,822</u>	<u>1,346,925</u>	<u>1,275,374</u>	<u>71,551</u>

OSCODA COUNTY
GENERAL FUND
EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Health and welfare:				
Economic development	\$ 83,995	\$ 52,725	\$ 50,274	\$ 2,451
Substance abuse	23,285	23,285	23,616	(331)
District health department	59,696	60,196	61,436	(1,240)
Medical examiner	7,500	9,200	9,108	92
Mental health	23,800	23,800	23,800	-0-
Total Health and Welfare	<u>198,276</u>	<u>169,206</u>	<u>168,234</u>	<u>972</u>
Other:				
Insurance, bonds, and fringes	427,305	327,305	287,142	40,163
Contingencies	<u>-0-</u>	<u>121,866</u>	<u>-0-</u>	<u>121,866</u>
Total Other	<u>427,305</u>	<u>449,171</u>	<u>287,142</u>	<u>162,029</u>
Total Expenditures	<u>3,531,248</u>	<u>3,745,308</u>	<u>3,455,616</u>	<u>289,692</u>
Other Financing Uses:				
Operating transfers out:				
Child care	161,500	161,500	161,500	-0-
Law library	3,200	3,200	3,200	-0-
Soldiers and sailors	7,500	7,500	7,500	-0-
Department of human services	2,928	2,928	1,860	1,068
Sheriff drug fund	10,360	10,360	10,360	-0-
Ambulance fund	-0-	42,468	42,468	-0-
Park fund	3,000	5,438	5,438	-0-
Park improvement	3,000	3,000	3,000	-0-
Public guardianship	685	685	685	-0-
Hazardous materials	3,175	3,175	3,175	-0-
Historical commission	2,000	2,000	2,000	-0-
Library fund	-0-	115	115	-0-
Friend of the court	11,398	11,398	11,398	-0-
Public improvement	50,000	50,000	2,500	47,500
Register of deeds automation	30,000	30,000	17,735	-0-
Airport fund	-0-	9,222	9,222	12,265
EDC revolving loan fund	<u>-0-</u>	<u>7,125</u>	<u>7,125</u>	<u>-0-</u>
Total Other Financing Uses	<u>288,746</u>	<u>350,114</u>	<u>289,281</u>	<u>60,833</u>
Total Expenditures and Other Financing Uses	<u>\$ 3,819,994</u>	<u>\$ 4,095,422</u>	<u>\$ 3,744,897</u>	<u>\$ 350,525</u>

OSCODA COUNTY
 GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

LEGISLATIVE

BOARD OF COMMISSIONERS:

Salaries and per diem	\$ 37,510	
Fringes	47,172	
Supplies	102	
Travel	7,422	
Printing and publishing	<u>4,546</u>	\$ 96,752

EXECUTIVE SECRETARY:

Salaries	20,797	
Fringes	12,232	
Supplies	<u>477</u>	33,506

JUDICIAL

CIRCUIT COURT:

Supplies	2,531	
Jury duty	3,209	
Attorney fees	31,289	
Contractual services	185	
Telephone	594	
Travel	1,647	
Payments to other counties	<u>51,178</u>	90,633

FAMILY COURT:

Salaries	80,584	
Fringes	32,345	
Supplies	1,432	
Attorney fees	7,165	
Contractual services	7,426	
Telephone	370	
Travel	60	
Membership, dues and fees	<u>135</u>	129,517

DISTRICT COURT:

Salaries	78,275	
Fringes	12,842	
Supplies	6,875	
Contractual services	974	
Jury duty	492	
Attorney fees	34,494	
Transcripts	570	
Travel	1,237	
Membership, dues and fees	540	
Printing and publishing	490	
Repairs and maintenance	360	
Payments to other counties	<u>2,000</u>	139,149

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

JUDICIAL (CONTINUED)

PROBATE COURT:

Salaries	\$ 82,048	
Fringes	21,504	
Supplies	3,870	
Jury Fees	1,109	
Attorney fees	3,146	
Travel	531	
Membership, dues and fees	700	
Contractual services	3,474	
Repair and maintenance	<u>523</u>	\$ 116,905

JURY COMMISSION:

Per diem	2,019	
Supplies	2,013	
Travel	<u>63</u>	4,095

GENERAL GOVERNMENT

GOVERNMENTAL ADMINISTRATION:

Health insurance	1,129	
Retirement	1,978	
Office supplies	117	
MAC dues	6,102	
NACO dues	400	
NEMCOG	2,582	
Sheriff CCW fees	192	
Audit	14,300	
Legal consultant	2,844	
Contractual services	69,775	
Fairboard	9,000	
Tri-Town Fire Dept.	1,500	
Civil projects	4,249	
Title III forest service	4,000	
Tax tribunal refunds	17,657	
Travel	<u>112</u>	135,937

COOPERATIVE EXTENSION:

Salaries	21,235	
Fringes	6,388	
Supplies	986	
Contractual services	51,166	
Travel	3,808	
Title III forest service	4,501	
Repair and maintenance	<u>40</u>	88,124

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

GENERAL GOVERNMENT (CONTINUED)

COUNTY CLERK:

Salaries	\$ 77,115	
Fringes	24,670	
Supplies	1,582	
Travel	385	
Membership, dues and fees	296	
Printing and publishing	388	
Contractual services	629	
Equipment maintenance and repair	<u>335</u>	\$ 105,400

COURTHOUSE AND GROUNDS:

Salaries	73,437	
Fringes	32,419	
Supplies	7,830	
Uniforms	1,324	
Gasoline	2,502	
Electric	20,585	
Fuel oil/L.P./natural gas	28,216	
Sewer/water	6,687	
Telephone	14,543	
Maintenance and repair	14,814	
Contractual services	5,657	
Equipment rental	<u>1,716</u>	209,730

ELECTIONS:

Per diem	990	
Printing and publishing	9,271	
Travel	<u>390</u>	10,651

EQUALIZATION:

Salaries	76,542	
Fringes	34,150	
Supplies	1,348	
Dues	365	
Printing and publishing	17,390	
Travel	1,207	
Training	<u>1,003</u>	132,005

MOTOR POOL:

Salaries	32,820	
Fringes	13,228	
Supplies	1,238	
Vehicle repair parts	<u>14,384</u>	61,670

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

GENERAL GOVERNMENT (CONTINUED)

PROSECUTING ATTORNEY:

Salaries	\$ 112,836	
Fringes	36,914	
Supplies	2,065	
Witness fees	8,986	
Contractual services	399	
Travel	407	
Dues	1,655	
Equipment repair and maintenance	<u>625</u>	\$ 163,887

REGISTER OF DEEDS:

Salaries	40,668	
Fringes	14,601	
Supplies	3,352	
Contractual services	612	
Remonumentation	49,864	
Travel	143	
Equipment repair and maintenance	<u>814</u>	110,054

TREASURER:

Salaries	67,676	
Fringes	26,440	
Supplies	1,871	
Dues	270	
Travel	<u>594</u>	96,851

PUBLIC SAFETY

CIVIL DEFENSE:

Contractual services	21,251	
Travel	100	
Capital outlay	<u>40,559</u>	61,910

SOIL EROSION:

122

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

PUBLIC SAFETY (CONTINUED)

DOG WARDEN:

Contractual services	\$ 24,011	
Gas and oil	1,220	
Supplies	69	
Dog tags	267	
Training	301	
Utilities	<u>716</u>	\$ 26,584

JAIL:

Travel	3,881	
Meals	2,790	
Lodging - other jails	270,961	
Supplies	720	
Medical	94,165	
Laundry	<u>2,182</u>	374,699

MARINE SAFETY:

Salaries	12,817	
Fringes	5,955	
Supplies	487	
Uniform allowance	70	
Gas and oil	<u>1,650</u>	20,979

PLANNING COMMISSION:

Per diem	2,010	
Fringes	154	
Contracted services	19,435	
Travel	423	
Office supplies	<u>321</u>	22,343

ORV ENFORCEMENT:

Salaries	11,348	
Fringes	834	
Gas and oil	758	
Supplies	<u>72</u>	13,012

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

PUBLIC SAFETY (CONTINUED)

SHERIFF:

Salaries	\$ 467,551	
Fringes	163,323	
Supplies	4,669	
Employee training	2,398	
Gas and oil	28,669	
Uniforms & laundry	7,850	
Utilities	4,417	
Firearms and supplies	801	
Dues	397	
Physicals	500	
Liens	11,341	
Travel	96	
Repairs and maintenance	7,321	
Printing and publishing	<u>1,043</u>	\$ 700,376

TRAFFIC SAFETY:

Salaries	38,644	
Fringes	13,694	
Uniforms	377	
Gas and oil	<u>2,634</u>	55,349

HEALTH AND WELFARE

ECONOMIC DEVELOPMENT:

Wages	6,809	
Fringes	1,487	
Per Diem	1,806	
Supplies	1,287	
Travel	525	
Contracted services	38,160	
Training	<u>200</u>	50,274

SUBSTANCE ABUSE:

23,616

DISTRICT HEALTH DEPARTMENT:

61,436

MEDICAL EXAMINER/AUTOPSY:

9,108

MENTAL HEALTH:

23,800

OSCODA COUNTY
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006

HEALTH AND WELFARE (CONTINUED)

	<u>OTHER</u>	
<u>INSURANCE, BONDS, AND FRINGES:</u>		
Bonds	\$ 509	
Fringes	229,236	
Insurance	<u>57,397</u>	<u>\$ 287,142</u>
Total Expenditures		<u>3,455,616</u>

OTHER FINANCING USES:

Operating transfers out:		
Department of human services	1,860	
Child care	161,500	
Law library	3,200	
Soldiers and sailors	7,500	
Public improvement	2,500	
Sheriff drug fund	10,360	
Ambulance fund	42,468	
Park fund	5,438	
Park improvement fund	3,000	
Public guardianship	685	
Hazardous materials	3,175	
Historical commission	2,000	
Library fund	115	
Friend of the court	11,398	
Register of deeds automation fund	17,735	
Airport fund	9,222	
EDC revolving loan fund	<u>7,125</u>	
Total Other Financing Uses		<u>289,281</u>
Total Expenditures and Other Financing Uses		<u>\$ 3,744,897</u>

OSCODA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2006

	Sheriff Equipment	Ambulance Equipment	911 Emergency Services	Officer Training	Park	D.A.R.E.
ASSETS						
Cash demand and time deposits	\$ 229,454	\$ 243,135	\$ 47,719	\$ 4,943	\$ 4,066	\$ 7,332
Taxes receivable	85,503	166,115	-0-	-0-	-0-	-0-
Accounts receivable	-0-	-0-	3,730	-0-	-0-	-0-
Due from other funds	-0-	6,916	-0-	1,151	-0-	-0-
Due from governmental units	-0-	-0-	23,708	-0-	-0-	-0-
Prepaid expenses	-0-	-0-	710	-0-	943	-0-
EDC loans receivable	-0-	-0-	-0-	-0-	-0-	-0-
Total Assets	<u>\$ 314,957</u>	<u>\$ 416,166</u>	<u>\$ 75,867</u>	<u>\$ 6,094</u>	<u>\$ 5,009</u>	<u>\$ 7,332</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$ -0-	\$ -0-	\$ 1,393	\$ -0-	\$ 1,067	\$ -0-
Accrued liabilities	-0-	-0-	2,484	-0-	612	-0-
Due to other funds	-0-	2,095	-0-	-0-	320	-0-
Due to other governmental units	-0-	-0-	-0-	-0-	-0-	-0-
Deferred revenue	85,503	166,115	-0-	-0-	-0-	-0-
Total Liabilities	<u>85,503</u>	<u>168,210</u>	<u>3,877</u>	<u>-0-</u>	<u>1,999</u>	<u>-0-</u>
Fund Equity:						
Reserved for forest service	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated	229,454	247,956	71,990	6,094	3,010	7,332
Total Fund Equity	<u>229,454</u>	<u>247,956</u>	<u>71,990</u>	<u>6,094</u>	<u>3,010</u>	<u>7,332</u>
Total Liabilities and Fund Equity	<u>\$ 314,957</u>	<u>\$ 416,166</u>	<u>\$ 75,867</u>	<u>\$ 6,094</u>	<u>\$ 5,009</u>	<u>\$ 7,332</u>

SPECIAL REVENUE FUNDS

<u>Friend of the Court</u>	<u>Public Guardianship</u>	<u>Park Improvements</u>	<u>Hazardous Materials</u>	<u>Historical Commission</u>	<u>Gypsy Moth</u>	<u>Public Improvement</u>	<u>Drug Law Enforcement</u>
\$ 58,465	\$ 3,910	\$ 7,028	\$ 2	\$ 636	\$ 85,507	\$ 445	\$ 10,005
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
21,324	-0-	-0-	-0-	-0-	-0-	-0-	-0-
3,554	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>\$ 83,343</u>	<u>\$ 3,910</u>	<u>\$ 7,028</u>	<u>\$ 2</u>	<u>\$ 636</u>	<u>\$ 85,507</u>	<u>\$ 445</u>	<u>\$ 10,005</u>
\$ 4,864	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
941	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>5,805</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	3,759	-0-	-0-	-0-	-0-	-0-
<u>77,538</u>	<u>3,910</u>	<u>3,269</u>	<u>2</u>	<u>636</u>	<u>85,507</u>	<u>445</u>	<u>10,005</u>
<u>77,538</u>	<u>3,910</u>	<u>7,028</u>	<u>2</u>	<u>636</u>	<u>85,507</u>	<u>445</u>	<u>10,005</u>
<u>\$ 83,343</u>	<u>\$ 3,910</u>	<u>\$ 7,028</u>	<u>\$ 2</u>	<u>\$ 636</u>	<u>\$ 85,507</u>	<u>\$ 445</u>	<u>\$ 10,005</u>

OSCODA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2006

	County Law Library	Building Codes	County Library	Council on Aging	Strong Families Safe Children	Dept of Human Services
ASSETS						
Cash demand and time deposits	\$ 319	\$ 16,481	\$ 88,414	\$ 54,744	\$ 6,707	\$ 47,155
Taxes receivable	-0-	-0-	-0-	168,441	-0-	-0-
Accounts receivable	-0-	-0-	-0-	-0-	-0-	-0-
Due from other funds	-0-	-0-	-0-	-0-	-0-	-0-
Due from governmental units	-0-	-0-	-0-	-0-	-0-	25,413
Prepaid expenses	-0-	943	943	-0-	-0-	-0-
EDC loans receivable	-0-	-0-	-0-	-0-	-0-	-0-
Total Assets	<u>\$ 319</u>	<u>\$ 17,424</u>	<u>\$ 89,357</u>	<u>\$ 223,185</u>	<u>\$ 6,707</u>	<u>\$ 72,568</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$ -0-	\$ 1,088	\$ 2,379	\$ -0-	\$ -0-	\$ 15,568
Accrued liabilities	-0-	968	849	-0-	-0-	-0-
Due to other funds	-0-	-0-	3,056	-0-	-0-	-0-
Due to other governmental units	-0-	-0-	-0-	-0-	-0-	57,000
Deferred revenue	-0-	-0-	-0-	168,441	-0-	-0-
Total Liabilities	<u>-0-</u>	<u>2,056</u>	<u>6,284</u>	<u>168,441</u>	<u>-0-</u>	<u>72,568</u>
Fund Equity:						
Reserved for forest service	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated	319	15,368	83,073	54,744	6,707	-0-
Total Fund Equity	<u>319</u>	<u>15,368</u>	<u>83,073</u>	<u>54,744</u>	<u>6,707</u>	<u>-0-</u>
Total Liabilities and Fund Equity	<u>\$ 319</u>	<u>\$ 17,424</u>	<u>\$ 89,357</u>	<u>\$ 223,185</u>	<u>\$ 6,707</u>	<u>\$ 72,568</u>

SPECIAL REVENUE FUNDS								
EDC Revolving Loan	Child Care	Soldiers and Sailors	Veterans Trust	Basic Grant	Youth Services	Register of Deeds Automation	Airport	Totals
\$ 31,761	\$ 153,478	\$ 1,586	\$ 1,040	\$ -0-	\$ 483	\$ 33,556	\$ 18,872	\$ 1,157,243
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	420,059
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,730
-0-	-0-	-0-	-0-	5,000	-0-	-0-	-0-	13,067
-0-	6,195	-0-	-0-	2,500	-0-	-0-	-0-	79,140
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7,093
203,685	-0-	-0-	-0-	-0-	-0-	-0-	-0-	203,685
<u>\$ 235,446</u>	<u>\$ 159,673</u>	<u>\$ 1,586</u>	<u>\$ 1,040</u>	<u>\$ 7,500</u>	<u>\$ 483</u>	<u>\$ 33,556</u>	<u>\$ 18,872</u>	<u>\$ 1,884,017</u>
-0-	\$ 9,413	\$ 300	\$ -0-	\$ -0-	\$ -0-	\$ 3,991	\$ -0-	\$ 40,063
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5,854
-0-	5,000	-0-	-0-	6,250	-0-	-0-	-0-	16,721
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	57,000
203,685	-0-	-0-	-0-	-0-	-0-	-0-	-0-	623,744
<u>203,685</u>	<u>14,413</u>	<u>300</u>	<u>-0-</u>	<u>6,250</u>	<u>-0-</u>	<u>3,991</u>	<u>-0-</u>	<u>743,382</u>
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,759
31,761	145,260	1,286	1,040	1,250	483	29,565	18,872	1,136,876
<u>31,761</u>	<u>145,260</u>	<u>1,286</u>	<u>1,040</u>	<u>1,250</u>	<u>483</u>	<u>29,565</u>	<u>18,872</u>	<u>1,140,635</u>
<u>\$ 235,446</u>	<u>\$ 159,673</u>	<u>\$ 1,586</u>	<u>\$ 1,040</u>	<u>\$ 7,500</u>	<u>\$ 483</u>	<u>\$ 33,556</u>	<u>\$ 18,872</u>	<u>\$ 1,884,017</u>

OSCODA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2006

	Sheriff Equipment	Ambulance Equipment	911 Emergency Services	Officer Training	Park
Revenue:					
Taxes	\$ 73,968	\$ 156,928	\$ -0-	\$ -0-	\$ -0-
Licenses and permits	-0-	-0-	-0-	-0-	-0-
Federal	300	-0-	-0-	-0-	-0-
State	-0-	-0-	93,826	2,615	-0-
Charges for services	3,422	-0-	-0-	-0-	109,358
Fines and forfeits	-0-	-0-	-0-	-0-	-0-
Interest earned	10,488	11,299	-0-	-0-	1,010
Other	-0-	-0-	46,920	-0-	-0-
Total Revenue	<u>88,178</u>	<u>168,227</u>	<u>140,746</u>	<u>2,615</u>	<u>110,368</u>
Expenditures:					
Judicial	-0-	-0-	-0-	-0-	-0-
General government	-0-	-0-	-0-	-0-	-0-
Public safety	68,481	65,174	111,677	785	-0-
Health and welfare	-0-	-0-	-0-	-0-	-0-
Recreation and cultural	-0-	-0-	-0-	-0-	145,756
Total Expenditures	<u>68,481</u>	<u>65,174</u>	<u>111,677</u>	<u>785</u>	<u>145,756</u>
Excess:					
Revenue over (under) expenditures	<u>19,697</u>	<u>103,053</u>	<u>29,069</u>	<u>1,830</u>	<u>(35,388)</u>
Other financing sources (uses):					
Operating transfers in	-0-	-0-	-0-	-0-	2,438
Operating transfers out	-0-	(13,274)	-0-	-0-	-0-
Total Other Financing Sources (Uses)	<u>-0-</u>	<u>(13,274)</u>	<u>-0-</u>	<u>-0-</u>	<u>2,438</u>
Excess:					
Revenue and other financing sources over (under) expenditures and other financing uses	<u>19,697</u>	<u>89,779</u>	<u>29,069</u>	<u>1,830</u>	<u>(32,950)</u>
Fund balance (deficit) - January 1	<u>209,757</u>	<u>158,177</u>	<u>42,921</u>	<u>4,264</u>	<u>35,960</u>
Fund balance (deficit) - December 31	<u>\$ 229,454</u>	<u>\$ 247,956</u>	<u>\$ 71,990</u>	<u>\$ 6,094</u>	<u>\$ 3,010</u>

SPECIAL REVENUE FUNDS						
D.A.R.E.	Friend of the Court	Public Guardianship	Park Improvement	Hazardous Materials	Historical Commission	Gypsy Moth
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	83,043	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	3,993
<u>3,475</u>	<u>19,115</u>	<u>7,747</u>	<u>-0-</u>	<u>-0-</u>	<u>3,645</u>	<u>-0-</u>
<u>3,475</u>	<u>102,158</u>	<u>7,747</u>	<u>-0-</u>	<u>-0-</u>	<u>3,645</u>	<u>3,993</u>
-0-	112,216	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
850	-0-	-0-	-0-	3,178	-0-	-0-
-0-	-0-	8,125	-0-	-0-	-0-	-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3,153</u>	<u>-0-</u>	<u>5,177</u>	<u>-0-</u>
<u>850</u>	<u>112,216</u>	<u>8,125</u>	<u>3,153</u>	<u>3,178</u>	<u>5,177</u>	<u>-0-</u>
<u>2,625</u>	<u>(10,058)</u>	<u>(378)</u>	<u>(3,153)</u>	<u>(3,178)</u>	<u>(1,532)</u>	<u>3,993</u>
-0-	11,398	685	6,000	3,175	2,000	-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>-0-</u>	<u>11,398</u>	<u>685</u>	<u>6,000</u>	<u>3,175</u>	<u>2,000</u>	<u>-0-</u>
2,625	1,340	307	2,847	(3)	448	3,993
<u>4,707</u>	<u>76,198</u>	<u>3,603</u>	<u>4,181</u>	<u>5</u>	<u>168</u>	<u>81,514</u>
<u>\$ 7,332</u>	<u>\$ 77,538</u>	<u>\$ 3,910</u>	<u>\$ 7,028</u>	<u>\$ 2</u>	<u>\$ 636</u>	<u>\$ 85,507</u>

OSCODA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2006

	Public Improvement	Drug Law Enforcement	County Law Library	Building Codes	County Library
Revenue:					
Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Licenses and permits	-0-	-0-	-0-	98,228	-0-
Federal	-0-	-0-	-0-	-0-	-0-
State	-0-	-0-	-0-	-0-	6,803
Charges for services	-0-	-0-	-0-	-0-	-0-
Fines and forfeits	-0-	-0-	2,000	-0-	88,483
Interest earned	-0-	-0-	-0-	-0-	4,551
Other	6,430	-0-	-0-	-0-	3,495
Total Revenue	6,430	-0-	2,000	98,228	103,332
Expenditures:					
Judicial	-0-	-0-	5,538	-0-	-0-
General government	9,645	-0-	-0-	-0-	-0-
Public safety	-0-	13,185	-0-	118,267	-0-
Health and welfare	-0-	-0-	-0-	-0-	-0-
Recreation and cultural	-0-	-0-	-0-	-0-	93,017
Total Expenditures	9,645	13,185	5,538	118,267	93,017
Excess:					
Revenue over (under) expenditures	(3,215)	(13,185)	(3,538)	(20,039)	10,315
Other Financing Sources (Uses):					
Operating transfers in	2,500	10,360	3,200	-0-	115
Operating transfers out	(10,942)	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	(8,442)	10,360	3,200	-0-	115
Excess:					
Revenue and other financing sources over (under) expenditures and other financing uses	(11,657)	(2,825)	(338)	(20,039)	10,430
Fund balance (deficit) - January 1	12,102	12,830	657	35,407	72,643
Fund balance (deficit) - December 31	\$ 445	\$ 10,005	\$ 319	\$ 15,368	\$ 83,073

SPECIAL REVENUE FUNDS							
Council on Aging	Strong Families Safe Children	Dept of Human Services	EDC Revolving Loan	Child Care	Soldiers And Sailors	Veterans Trust	Basic Grant
\$ 143,619	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	71,900	-0-	-0-	-0-	-0-
-0-	-0-	209,486	-0-	46,505	-0-	267	17,500
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
4,634	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	22,736	13,003	-0-	-0-	-0-
<u>148,253</u>	<u>-0-</u>	<u>209,486</u>	<u>94,636</u>	<u>59,508</u>	<u>-0-</u>	<u>267</u>	<u>17,500</u>
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
132,000	650	218,953	70,000	119,949	14,121	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>132,000</u>	<u>650</u>	<u>218,953</u>	<u>70,000</u>	<u>119,949</u>	<u>14,121</u>	<u>-0-</u>	<u>-0-</u>
16,253	(650)	(9,467)	24,636	(60,441)	(14,121)	267	17,500
-0-	-0-	1,860	7,125	161,500	7,500	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	(16,250)
-0-	-0-	1,860	7,125	161,500	7,500	-0-	(16,250)
16,253	(650)	(7,607)	31,761	101,059	(6,621)	267	1,250
<u>38,491</u>	<u>7,357</u>	<u>7,607</u>	<u>-0-</u>	<u>44,201</u>	<u>7,907</u>	<u>773</u>	<u>-0-</u>
<u>\$ 54,744</u>	<u>\$ 6,707</u>	<u>\$ -0-</u>	<u>\$ 31,761</u>	<u>\$ 145,260</u>	<u>\$ 1,286</u>	<u>\$ 1,040</u>	<u>\$ 1,250</u>

OSCODA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2006

	SPECIAL REVENUE FUNDS			
	Youth Services	Register of Deeds Automation	Airport	Totals
Revenue:				
Taxes	\$ -0-	\$ -0-	\$ -0-	\$ 374,515
Licenses and permits	-0-	-0-	-0-	98,228
Federal	-0-	-0-	-0-	72,200
State	-0-	-0-	-0-	460,045
Charges for services	-0-	-0-	8,105	120,885
Fines and forfeits	-0-	-0-	-0-	90,483
Interest earned	-0-	1,321	-0-	37,296
Other	-0-	-0-	-0-	126,566
Total Revenue	-0-	1,321	8,105	1,380,218
Expenditures:				
Judicial	-0-	-0-	-0-	117,754
General government	-0-	12,406	13,755	35,806
Public safety	-0-	-0-	-0-	381,597
Health and welfare	-0-	-0-	-0-	563,798
Recreation and cultural	-0-	-0-	-0-	247,103
Total Expenditures	-0-	12,406	13,755	1,346,058
Excess:				
Revenue over (under) expenditures	-0-	(11,085)	(5,650)	34,160
Other Financing Sources (Uses):				
Operating transfers in	-0-	17,735	9,222	246,813
Operating transfers out	-0-	-0-	-0-	(40,466)
Total Other Financing Sources (Uses)	-0-	17,735	9,222	206,347
Excess:				
Revenue and other financing sources over (under) expenditures and other financing uses	-0-	6,650	3,572	240,507
Fund balance (deficit) - January 1	483	22,915	15,300	900,128
Fund balance (deficit) - December 31	<u>\$ 483</u>	<u>\$ 29,565</u>	<u>\$ 18,872</u>	<u>\$ 1,140,635</u>

OSCODA COUNTY
 SHERIFF EQUIPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 229,454	\$ 209,040
Interest receivable	-0-	717
Taxes receivable	<u>85,503</u>	<u>73,828</u>
Total Assets	<u>\$ 314,957</u>	<u>\$ 283,585</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Deferred revenue	<u>\$ 85,503</u>	<u>\$ 73,828</u>
Total Liabilities	<u>85,503</u>	<u>73,828</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>229,454</u>	<u>209,757</u>
Total Fund Equity	<u>229,454</u>	<u>209,757</u>
Total Liabilities and Fund Equity	<u>\$ 314,957</u>	<u>\$ 283,585</u>

OSCODA COUNTY
 SHERIFF EQUIPMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Taxes	\$ 75,722	\$ 75,722	\$ 73,968	\$ (1,754)
Federal	-0-	-0-	300	300
Interest	600	600	10,488	9,888
Fees	-0-	-0-	3,422	3,422
Total Revenue	<u>76,322</u>	<u>76,322</u>	<u>88,178</u>	<u>11,856</u>
Expenditures:				
Equipment supplies	-0-	-0-	10,710	(10,710)
Capital outlay	<u>76,322</u>	<u>76,322</u>	<u>57,771</u>	<u>18,551</u>
Total Expenditures	<u>76,322</u>	<u>76,322</u>	<u>68,481</u>	<u>7,841</u>
Excess:				
Revenue over (under) expenditures	-0-	-0-	19,697	19,697
Fund balance (deficit) - January 1	<u>209,757</u>	<u>209,757</u>	<u>209,757</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 209,757</u>	<u>\$ 209,757</u>	<u>\$ 229,454</u>	<u>\$ 19,697</u>

OSCODA COUNTY
AMBULANCE EQUIPMENT FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 243,135	\$ 152,831
Interest receivable	-0-	525
Due from other funds	6,916	6,916
Taxes receivable	<u>166,115</u>	<u>156,848</u>
Total Assets	<u>\$ 416,166</u>	<u>\$ 317,120</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Due to other funds	\$ 2,095	\$ 2,095
Deferred revenue	<u>166,115</u>	<u>156,848</u>
Total Liabilities	<u>168,210</u>	<u>158,943</u>
Fund Equity		
Fund Balance:		
Undesignated	<u>247,956</u>	<u>158,177</u>
Total Fund Equity	<u>247,956</u>	<u>158,177</u>
Total Liabilities and Fund Equity	<u>\$ 416,166</u>	<u>\$ 317,120</u>

OSCODA COUNTY
AMBULANCE EQUIPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Property taxes	\$ 150,100	\$ 150,100	\$ 156,928	\$ 6,828
Interest earned	<u>3,000</u>	<u>3,000</u>	<u>11,299</u>	<u>8,299</u>
Total Revenue	<u>153,100</u>	<u>153,100</u>	<u>168,227</u>	<u>15,127</u>
Expenditures:				
Supplies	-0-	-0-	4,060	(4,060)
Miscellaneous	200	200	89	111
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>61,025</u>	<u>88,975</u>
Total Expenditures	<u>150,200</u>	<u>150,200</u>	<u>65,174</u>	<u>85,026</u>
Excess:				
Revenue over (under) expenditures	<u>2,900</u>	<u>2,900</u>	<u>103,053</u>	<u>100,153</u>
Other Financing Sources (Uses):				
Operating transfers out	<u>-0-</u>	<u>(13,274)</u>	<u>(13,274)</u>	<u>-0-</u>
Total Other Financing Sources (Uses)	<u>-0-</u>	<u>(13,274)</u>	<u>(13,274)</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures and other financing uses	2,900	(10,374)	89,779	100,153
Fund balance (deficit) - January 1	<u>158,177</u>	<u>158,177</u>	<u>158,177</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 161,077</u>	<u>\$ 147,803</u>	<u>\$ 247,956</u>	<u>\$ 100,153</u>

OSCODA COUNTY
 EMERGENCY SERVICES FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ 47,719	\$ 18,548
Accounts receivable	3,730	3,981
Due from other governmental units	23,708	22,375
Prepaid expenses	<u>710</u>	<u>1,349</u>
Total Assets	<u>\$ 75,867</u>	<u>\$ 46,253</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 1,393	\$ 1,273
Accrued liabilities	<u>2,484</u>	<u>2,059</u>
Total Liabilities	<u>3,877</u>	<u>3,332</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>71,990</u>	<u>42,921</u>
Total Fund Equity	<u>71,990</u>	<u>42,921</u>
Total Liabilities and Fund Equity	<u>\$ 75,867</u>	<u>\$ 46,253</u>

OSCODA COUNTY
EMERGENCY SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 75,000	\$ 75,000	\$ 93,826	\$ 18,826
Fees	<u>40,000</u>	<u>40,000</u>	<u>46,920</u>	<u>6,920</u>
Total Revenue	<u>115,000</u>	<u>115,000</u>	<u>140,746</u>	<u>25,746</u>
Expenditures:				
Salaries	80,226	80,226	83,845	(3,619)
Fringes	27,568	27,568	26,806	762
Supplies	400	550	396	154
Telephone	700	700	-0-	700
Employee training & uniforms	<u>1,400</u>	<u>1,400</u>	<u>630</u>	<u>770</u>
Total Expenditures	<u>110,924</u>	<u>110,444</u>	<u>111,677</u>	<u>(1,233)</u>
Excess:				
Revenues over (under) expenditures	4,706	4,556	29,069	24,513
Fund balance (deficit) - January 1	<u>42,921</u>	<u>42,921</u>	<u>42,921</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 47,627</u>	<u>\$ 47,477</u>	<u>\$ 71,990</u>	<u>\$ 24,513</u>

OSCODA COUNTY
OFFICER TRAINING FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 4,943	\$ 3,113
Due from other funds	<u>1,151</u>	<u>1,151</u>
Total Assets	<u>\$ 6,094</u>	<u>\$ 4,264</u>
FUND EQUITY		
Fund Equity:		
Fund balance:		
Undesignated	<u>\$ 6,094</u>	<u>\$ 4,264</u>
Total Fund Equity	<u>\$ 6,094</u>	<u>\$ 4,264</u>

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 2,800	\$ 2,800	\$ 2,615	\$ (185)
Total Revenue	<u>2,800</u>	<u>2,800</u>	<u>2,615</u>	<u>(185)</u>
Expenditures:				
Charges for services	<u>2,800</u>	<u>2,800</u>	<u>785</u>	<u>2,015</u>
Total Expenditures	<u>2,800</u>	<u>2,800</u>	<u>785</u>	<u>2,015</u>
Excess:				
Revenues over (under) expenditures	-0-	-0-	1,830	1,830
Fund balance (deficit) - January 1	<u>4,264</u>	<u>4,264</u>	<u>4,264</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 4,264</u>	<u>\$ 4,264</u>	<u>\$ 6,094</u>	<u>\$ 1,830</u>

OSCODA COUNTY
 PARK FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 4,066	\$ 36,872
Prepaid expenses	943	1,089
Interest receivable	<u>-0-</u>	<u>127</u>
Total Assets	<u>\$ 5,009</u>	<u>\$ 38,088</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 1,067	\$ 1,118
Accrued liabilities	612	690
Due to other funds	<u>320</u>	<u>320</u>
Total Liabilities	<u>1,999</u>	<u>2,128</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>3,010</u>	<u>35,960</u>
Total Fund Equity	<u>3,010</u>	<u>35,960</u>
Total Liabilities and Fund Equity	<u>\$ 5,009</u>	<u>\$ 38,088</u>

OSCODA COUNTY
PARK FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Park sales	\$ 108,000	\$ 108,000	\$ 109,358	\$ 1,358
Interest	<u>500</u>	<u>500</u>	<u>1,010</u>	<u>510</u>
Total Revenue	<u>108,500</u>	<u>108,500</u>	<u>110,368</u>	<u>1,868</u>
Expenditures:				
Salaries	45,666	47,930	49,469	(1,539)
Fringes	24,866	25,039	27,190	(2,151)
Supplies	400	400	2,333	(1,933)
Fuel oil & gasoline	1,200	1,200	997	203
Printing and publishing	1,200	1,200	800	400
Ice and Firewood for resale	3,900	3,900	2,895	1,005
Tax lease	3,000	3,000	2,604	396
Grounds care maintenance	8,000	8,000	7,314	686
Repair & maintenance	3,000	3,000	3,919	(919)
Insurance	1,400	1,400	1,371	29
Utilities	11,600	11,600	13,499	(1,899)
Sanitation services	2,200	2,200	1,797	403
Travel	300	300	228	72
Capital outlay	<u>1,000</u>	<u>36,570</u>	<u>31,340</u>	<u>5,230</u>
Total Expenditures	<u>107,732</u>	<u>145,739</u>	<u>145,756</u>	<u>(17)</u>
Excess:				
Revenues over (under) expenditures	<u>768</u>	<u>(37,239)</u>	<u>(35,388)</u>	<u>1,851</u>
Other Financing Sources (Uses):				
Operating transfers in	<u>-0-</u>	<u>2,438</u>	<u>2,438</u>	<u>-0-</u>
Total Other Financing Sources (Uses)	<u>-0-</u>	<u>2,438</u>	<u>2,438</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	768	(34,801)	(32,950)	1,851
Fund balance (deficit) - January 1	<u>35,960</u>	<u>35,960</u>	<u>35,960</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 36,728</u>	<u>\$ 1,159</u>	<u>\$ 3,010</u>	<u>\$ 1,851</u>

OSCODA COUNTY
D.A.R.E. FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

ASSETS

	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ 7,332	\$ 4,707
Total Assets	<u>\$ 7,332</u>	<u>\$ 4,707</u>
FUND EQUITY:		
Fund Balance:		
Undesignated	\$ 7,332	\$ 4,707
Total Fund Equity	<u>\$ 7,332</u>	<u>\$ 4,707</u>

OSCODA COUNTY
 D.A.R.E. FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:				
Donations	\$ -0-	\$ -0-	\$ 53	\$ 53
Fees	<u>2,500</u>	<u>2,500</u>	<u>3,422</u>	<u>922</u>
Total Revenue	<u>2,500</u>	<u>2,500</u>	<u>3,475</u>	<u>975</u>
Expenditures:				
Supplies	<u>2,500</u>	<u>2,500</u>	<u>850</u>	<u>1,650</u>
Total Expenditures	<u>2,500</u>	<u>2,500</u>	<u>850</u>	<u>1,650</u>
Excess:				
Revenues over (under) expenditures	-0-	-0-	2,625	2,625
Fund balance (deficit) - January 1	<u>4,707</u>	<u>4,707</u>	<u>4,707</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 4,707</u>	<u>\$ 4,707</u>	<u>\$ 7,332</u>	<u>\$ 2,625</u>

OSCODA COUNTY
 FRIEND OF THE COURT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 58,465	\$ 56,539
Prepaid expenses	3,554	2,178
Due from state	<u>21,324</u>	<u>23,706</u>
Total Assets	<u>\$ 83,343</u>	<u>\$ 82,423</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 4,864	\$ 5,285
Accrued liabilities	<u>941</u>	<u>940</u>
Total Liabilities	<u>5,805</u>	<u>6,225</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>77,538</u>	<u>76,198</u>
Total Fund Equity	<u>77,538</u>	<u>76,198</u>
Total Liabilities and Fund Equity	<u>\$ 83,343</u>	<u>\$ 82,423</u>

OSCODA COUNTY
FRIEND OF THE COURT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 92,958	\$ 92,958	\$ 83,043	\$ (9,915)
Fees	<u>20,115</u>	<u>20,115</u>	<u>19,115</u>	<u>(1,000)</u>
Total Revenue	<u>113,073</u>	<u>113,073</u>	<u>102,158</u>	<u>(10,915)</u>
Expenditures:				
Salaries	50,533	49,398	48,151	1,247
Fringes	39,840	39,753	30,708	9,045
Supplies	4,100	4,100	3,131	969
Contracted services	6,200	5,200	6,106	(906)
Utilities	2,500	2,500	2,235	265
Travel	1,500	2,500	2,194	306
Printing and publishing	300	300	162	138
Payments to other governments	18,999	18,999	19,167	(168)
Repairs and maintenance	500	500	362	138
Capital outlay	<u>1,300</u>	<u>1,300</u>	<u>-0-</u>	<u>1,300</u>
Total Expenditures	<u>125,772</u>	<u>124,550</u>	<u>112,216</u>	<u>12,334</u>
Excess:				
Revenue over (under) expenditures	<u>(12,699)</u>	<u>(11,477)</u>	<u>(10,058)</u>	<u>1,419</u>
Other financing sources (uses):				
Operating transfers in	<u>11,398</u>	<u>11,398</u>	<u>11,398</u>	<u>-0-</u>
Total Other Financing Sources (Uses):	<u>11,398</u>	<u>11,398</u>	<u>11,398</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	(1,301)	(79)	1,340	1,419
Fund balance (deficit) - January 1	<u>76,198</u>	<u>76,198</u>	<u>76,198</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 74,897</u>	<u>\$ 76,119</u>	<u>\$ 77,538</u>	<u>\$ 1,419</u>

OSCODA COUNTY
 PUBLIC GUARDIANSHIP FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>3,910</u>	\$ <u>3,603</u>
Total Assets	\$ <u><u>3,910</u></u>	\$ <u><u>3,603</u></u>
FUND EQUITY		
Fund Balance:		
Undesignated	\$ <u>3,910</u>	\$ <u>3,603</u>
Total Fund Equity	\$ <u><u>3,910</u></u>	\$ <u><u>3,603</u></u>

OSCODA COUNTY
PUBLIC GUARDIANSHIP FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Fees	\$ 8,000	\$ 8,000	\$ 7,747	\$ (253)
Total Revenue	<u>8,000</u>	<u>8,000</u>	<u>7,747</u>	<u>(253)</u>
Expenditures:				
Salaries	7,250	7,250	6,325	925
Fringes	625	625	640	(15)
Supplies	300	300	733	(433)
Dues	45	45	45	-0-
Services	100	100	-0-	100
Travel	-0-	-0-	12	(12)
Employee training	250	250	370	(120)
Capital outlay	<u>100</u>	<u>100</u>	<u>-0-</u>	<u>100</u>
Total Expenditures	<u>8,670</u>	<u>8,670</u>	<u>8,125</u>	<u>545</u>
Excess:				
Revenue over (under) expenditures	<u>(670)</u>	<u>(670)</u>	<u>(378)</u>	<u>292</u>
Other Financing Sources (Uses):				
Operating transfers in	<u>685</u>	<u>685</u>	<u>685</u>	<u>-0-</u>
Total Other Financing Sources (Uses)	<u>685</u>	<u>685</u>	<u>685</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	15	15	307	292
Fund balance (deficit) - January 1	<u>3,603</u>	<u>3,603</u>	<u>3,603</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 3,618</u>	<u>\$ 3,618</u>	<u>\$ 3,910</u>	<u>\$ 292</u>

OSCODA COUNTY
 PARK IMPROVEMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ <u>7,028</u>	\$ <u>4,181</u>
Total Assets	\$ <u><u>7,028</u></u>	\$ <u><u>4,181</u></u>
FUND EQUITY		
Fund Equity:		
Fund Balance		
Reserved for Title III	\$ 3,759	\$ 2,870
Undesignated	<u>3,269</u>	<u>1,311</u>
Total Fund Equity	\$ <u><u>7,028</u></u>	\$ <u><u>4,181</u></u>

OSCODA COUNTY
PARK IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Interest earned	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Expenditures:				
Gasoline	100	100	113	(13)
Insurance	300	300	375	(75)
Utilities	100	100	88	12
Repair and maintenance	2,500	2,500	466	2,034
Title III	<u>3,000</u>	<u>6,000</u>	<u>2,111</u>	<u>3,889</u>
Total Expenditures	<u>6,000</u>	<u>9,000</u>	<u>3,153</u>	<u>5,847</u>
Excess:				
Revenue over (under) expenditures	<u>(6,000)</u>	<u>(9,000)</u>	<u>(3,153)</u>	<u>5,847</u>
Other Financing Sources and (Uses)				
Operating Transfers in	<u>3,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-0-</u>
Total Other Financing Sources and (Uses)	<u>3,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures and other financing uses	(3,000)	(3,000)	2,847	5,847
Fund balance (deficit) - January 1	<u>4,181</u>	<u>4,181</u>	<u>4,181</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 1,181</u>	<u>\$ 1,181</u>	<u>\$ 7,028</u>	<u>\$ 5,847</u>

OSCODA COUNTY
 HAZARDOUS MATERIALS
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>2</u>	\$ <u>5</u>
Total Assets	\$ <u><u>2</u></u>	\$ <u><u>5</u></u>
FUND EQUITY		
Fund Equity:		
Fund Balance:		
Undesignated	\$ <u>2</u>	\$ <u>5</u>
Total Fund Equity	\$ <u><u>2</u></u>	\$ <u><u>5</u></u>

OSCODA COUNTY
 HAZARDOUS MATERIALS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:				
Donations	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Expenditures:				
Supplies	530	532	3,178	(2,646)
Equipment	<u>2,645</u>	<u>2,645</u>	<u>-0-</u>	<u>2,645</u>
Total Expenditures	<u>3,175</u>	<u>3,177</u>	<u>3,178</u>	<u>(1)</u>
Excess:				
Revenues over (under) expenditures	<u>(3,175)</u>	<u>(3,177)</u>	<u>(3,178)</u>	<u>(1)</u>
Other Financing Sources (uses):				
Operating transfer in	<u>3,175</u>	<u>3,175</u>	<u>3,175</u>	<u>-0-</u>
Total Other Financing Sources (uses)	<u>3,175</u>	<u>3,175</u>	<u>3,175</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	(2)	(3)	(1)
Fund Balance (deficit) - January 1	<u>5</u>	<u>5</u>	<u>5</u>	<u>-0-</u>
Fund Balance (deficit) - December 31	<u>\$ 5</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ (1)</u>

OSCODA COUNTY
 HISTORICAL COMMISSION
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>636</u>	\$ <u>168</u>
Total Assets	\$ <u><u>636</u></u>	\$ <u><u>168</u></u>
FUND EQUITY		
Fund Equity:		
Fund balance:		
Undesignated	\$ <u>636</u>	\$ <u>168</u>
Total Fund Equity	\$ <u><u>636</u></u>	\$ <u><u>168</u></u>

OSCODA COUNTY
 HISTORICAL COMMISSION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Other	\$ 3,555	\$ 3,555	\$ 3,645	\$ 90
 Total Revenue	 3,555	 3,555	 3,645	 90
Expenditures:				
Salaries	3,600	3,600	4,246	(646)
Fringes	300	300	325	(25)
Supplies	70	70	-0-	70
Utilities	950	950	354	596
Repairs and maintenance	135	135	252	(117)
 Total Expenditures	 5,055	 5,055	 5,177	 (122)
Excess:				
Revenue over (under) expenditures	(1,500)	(1,500)	(1,532)	(32)
Other Financing Sources (Uses):				
Operating transfer in	1,500	1,500	2,000	500
 Total Other Financing Sources (Uses)	 1,500	 1,500	 2,000	 500
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	-0-	468	468
Fund balance (deficit) - January 1	168	168	168	-0-
Fund balance (deficit) - December 31	\$ 168	\$ 168	\$ 636	\$ 468

OSCODA COUNTY
 GYPSY MOTH FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>85,507</u>	\$ <u>81,514</u>
Total Assets	\$ <u><u>85,507</u></u>	\$ <u><u>81,514</u></u>
FUND EQUITY		
Fund Equity:		
Fund balance:		
Undesignated	\$ <u>85,507</u>	\$ <u>81,514</u>
Total Fund Equity	\$ <u><u>85,507</u></u>	\$ <u><u>81,514</u></u>

OSCODA COUNTY
 GYPSY MOTH FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Interest	\$ -0-	\$ -0-	\$ 3,993	\$ 3,993
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>3,993</u>	<u>3,993</u>
Expenditures:				
Supplies	<u>-0-</u>	<u>100</u>	<u>-0-</u>	<u>100</u>
Total Expenditures	<u>-0-</u>	<u>100</u>	<u>-0-</u>	<u>100</u>
Excess:				
Revenue over (under) expenditures	-0-	(100)	3,993	4,093
Fund balance (deficit) - January 1	<u>81,514</u>	<u>81,514</u>	<u>81,514</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 81,514</u>	<u>\$ 81,414</u>	<u>\$ 85,507</u>	<u>\$ 4,093</u>

OSCODA COUNTY
 PUBLIC IMPROVEMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 445	\$ 6,267
Due from governmental units	<u>-0-</u>	<u>5,835</u>
Total Assets	<u>\$ 445</u>	<u>\$ 12,102</u>
FUND EQUITY		
Fund Equity:		
Fund Balance		
Undesignated	<u>\$ 445</u>	<u>\$ 12,102</u>
Total Fund Equity	<u>\$ 445</u>	<u>\$ 12,102</u>

OSCODA COUNTY
 PUBLIC IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Townships	\$ -0-	\$ -0-	\$ 6,430	\$ 6,430
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>6,430</u>	<u>6,430</u>
Expenditures:				
Capital outlay	<u>-0-</u>	<u>10,000</u>	<u>9,645</u>	<u>355</u>
Total Expenditures	<u>-0-</u>	<u>10,000</u>	<u>9,645</u>	<u>355</u>
Excess:				
Revenue over (under) expenditures	<u>-0-</u>	<u>(10,000)</u>	<u>(3,215)</u>	<u>6,785</u>
Other Financing Sources and (Uses)				
Operating Transfers in	50,000	38,496	2,500	(35,996)
Operating Transfers out	<u>-0-</u>	<u>(11,504)</u>	<u>(10,942)</u>	<u>562</u>
Total Other Financing Sources and (Uses)	<u>50,000</u>	<u>26,992</u>	<u>(8,442)</u>	<u>(35,434)</u>
Excess:				
Revenue and other financing sources over (under) expenditures and other financing uses	50,000	16,992	(11,657)	(28,649)
Fund balance (deficit) - January 1	<u>12,102</u>	<u>12,102</u>	<u>12,102</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 62,102</u>	<u>\$ 29,094</u>	<u>\$ 445</u>	<u>\$ (28,649)</u>

OSCODA COUNTY
 DRUG LAW ENFORCEMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>10,005</u>	\$ <u>12,830</u>
Total Assets	\$ <u><u>10,005</u></u>	\$ <u><u>12,830</u></u>
FUND EQUITY		
Fund Equity:		
Fund balance:		
Undesignated	\$ <u>10,005</u>	\$ <u>12,830</u>
Total Fund Equity	\$ <u><u>10,005</u></u>	\$ <u><u>12,830</u></u>

OSCODA COUNTY
 DRUG LAW ENFORCEMENT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Other	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Expenditures:				
Payments to other governments	<u>13,185</u>	<u>13,185</u>	<u>13,185</u>	<u>-0-</u>
Total Expenditures	<u>13,185</u>	<u>13,185</u>	<u>13,185</u>	<u>-0-</u>
Excess:				
Revenues over (under) expenditures	<u>(13,185)</u>	<u>(13,185)</u>	<u>(13,185)</u>	<u>-0-</u>
Other Financing Sources (Uses):				
Operating transfers in	<u>13,185</u>	<u>13,185</u>	<u>10,360</u>	<u>(2,825)</u>
Total Other Financing Sources (Uses)	<u>13,185</u>	<u>13,185</u>	<u>10,360</u>	<u>(2,825)</u>
Excess:				
Revenue and other financing sources over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>(2,825)</u>	<u>(2,825)</u>
Fund balance (deficit) - January 1	<u>12,830</u>	<u>12,830</u>	<u>12,830</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 12,830</u>	<u>\$ 12,830</u>	<u>\$ 10,005</u>	<u>\$ (2,825)</u>

OSCODA COUNTY
 COUNTY LAW LIBRARY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>319</u>	\$ <u>657</u>
Total Assets	\$ <u><u>319</u></u>	\$ <u><u>657</u></u>
FUND EQUITY		
Fund Equity:		
Fund Balance:		
Undesignated	\$ <u>319</u>	\$ <u>657</u>
Total Fund Equity	\$ <u><u>319</u></u>	\$ <u><u>657</u></u>

OSCODA COUNTY
 COUNTY LAW LIBRARY FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Fines and forfeits	\$ 2,000	\$ 2,000	\$ 2,000	\$ -0-
Total Revenue	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-0-</u>
Expenditures:				
Books and periodicals	<u>5,202</u>	<u>5,702</u>	<u>5,538</u>	<u>164</u>
Total Expenditures	<u>5,202</u>	<u>5,702</u>	<u>5,538</u>	<u>164</u>
Excess:				
Revenue over (under) expenditures	<u>(3,202)</u>	<u>(3,702)</u>	<u>(3,538)</u>	<u>164</u>
Other Financing Sources (Uses):				
Operating transfers in	<u>3,202</u>	<u>3,202</u>	<u>3,200</u>	<u>(2)</u>
Total Other Financing Sources (Uses)	<u>3,202</u>	<u>3,202</u>	<u>3,200</u>	<u>(2)</u>
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	(500)	(338)	162
Fund balance (deficit) - January 1	<u>657</u>	<u>657</u>	<u>657</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 657</u>	<u>\$ 157</u>	<u>\$ 319</u>	<u>\$ 162</u>

OSCODA COUNTY
BUILDING CODE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 16,481	\$ 35,548
Prepaid expenses	<u>943</u>	<u>1,089</u>
Total Assets	<u>\$ 17,424</u>	<u>\$ 36,637</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 1,088	\$ 276
Accrued liabilities	<u>968</u>	<u>954</u>
Total Liabilities	<u>2,056</u>	<u>1,230</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>15,368</u>	<u>35,407</u>
Total Fund Equity	<u>15,368</u>	<u>35,407</u>
Total Liabilities and Fund Equity	<u>\$ 17,424</u>	<u>\$ 36,637</u>

OSCODA COUNTY
 BUILDING CODE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Permit fees	\$ 139,000	\$ 139,000	\$ 98,228	\$ (40,772)
Total Revenue	<u>139,000</u>	<u>139,000</u>	<u>98,228</u>	<u>(40,772)</u>
Expenditures:				
Salaries	51,877	51,877	50,345	1,532
Fringes	21,087	21,087	21,052	35
Supplies	5,500	5,500	4,423	1,077
Contracted services	50,000	50,000	38,919	11,081
Dues	200	200	275	(75)
Utilities	600	600	516	84
Travel	500	500	177	323
Insurance	1,200	1,200	1,073	127
Repair and maintenance	1,100	1,100	1,332	(232)
Rent	5,000	5,000	-0-	5,000
Employee training	500	500	155	345
Capital outlay	<u>500</u>	<u>500</u>	<u>-0-</u>	<u>500</u>
Total Expenditures	<u>138,064</u>	<u>138,064</u>	<u>118,267</u>	<u>19,797</u>
Excess:				
Revenues over (under) expenditures	936	936	(20,039)	(20,975)
Fund balance (deficit) January 1	<u>35,407</u>	<u>35,407</u>	<u>35,407</u>	<u>-0-</u>
Fund balance (deficit) December 31	<u>\$ 36,343</u>	<u>\$ 36,343</u>	<u>\$ 15,368</u>	<u>\$ (20,975)</u>

OSCODA COUNTY
COUNTY LIBRARY FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 88,414	\$ 75,315
Prepaid expenses	943	1,089
Interest receivable	<u>-0-</u>	<u>258</u>
Total Assets	<u>\$ 89,357</u>	<u>\$ 76,662</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 2,379	\$ 233
Due to other funds	3,056	3,056
Accrued liabilities	<u>849</u>	<u>730</u>
Total Liabilities	<u>6,284</u>	<u>4,019</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>83,073</u>	<u>72,643</u>
Total Fund Equity	<u>83,073</u>	<u>72,643</u>
Total Liabilities and Fund Equity	<u>\$ 89,357</u>	<u>\$ 76,662</u>

OSCODA COUNTY
COUNTY LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 7,950	\$ 7,950	\$ 6,803	\$ (1,147)
Fines and forfeits	80,511	80,511	88,483	7,972
Interest	800	800	4,551	3,751
Other	<u>4,300</u>	<u>4,300</u>	<u>3,495</u>	<u>(805)</u>
Total Revenue	<u>93,561</u>	<u>93,561</u>	<u>103,332</u>	<u>9,771</u>
Expenditures:				
Salaries and wages	41,629	48,848	44,295	4,553
Fringes	18,328	18,995	18,458	537
Supplies	1,750	2,150	2,344	(194)
Books and periodicals	8,100	8,200	7,429	771
Services	5,875	7,425	4,945	2,480
Utilities	12,000	12,000	10,229	1,771
Repairs and maintenance	1,200	1,830	1,984	(154)
Insurance	1,200	1,200	1,025	175
Miscellaneous	100	3,000	2,308	692
Capital outlay	<u>500</u>	<u>500</u>	<u>-0-</u>	<u>500</u>
Total Expenditures	<u>90,682</u>	<u>104,148</u>	<u>93,017</u>	<u>11,131</u>
Excess:				
Revenue and other financing sources over (under) expenditures	<u>2,879</u>	<u>(10,587)</u>	<u>10,315</u>	<u>20,902</u>
Other financing sources (Uses):				
Operating transfers in	<u>-0-</u>	<u>-0-</u>	<u>115</u>	<u>115</u>
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>115</u>	<u>115</u>
Excess:				
Revenue and other financing sources over (under) expenditures	2,879	(10,587)	10,430	21,017
Fund balance (deficit) - January 1	<u>72,643</u>	<u>72,643</u>	<u>72,643</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 75,522</u>	<u>\$ 62,056</u>	<u>\$ 83,073</u>	<u>\$ 21,017</u>

OSCODA COUNTY
COUNCIL ON AGING
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 54,744	\$ 38,491
Taxes receivable	<u>168,441</u>	<u>143,711</u>
Total Assets	<u>\$ 223,185</u>	<u>\$ 182,202</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Deferred revenue	<u>\$ 168,441</u>	<u>\$ 143,711</u>
Total Liabilities	<u>168,441</u>	<u>143,711</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>54,744</u>	<u>38,491</u>
Total Fund Equity	<u>54,744</u>	<u>38,491</u>
Total Liabilities and Fund Equity	<u>\$ 223,185</u>	<u>\$ 182,202</u>

OSCODA COUNTY
 COUNCIL ON AGING
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Actual	Actual	Variance Favorable (Unfavorable)
Revenue:				
Taxes	\$ 143,711	\$ 143,711	\$ 143,619	\$ (92)
Interest	<u>-0-</u>	<u>-0-</u>	<u>4,634</u>	<u>4,634</u>
Total Revenue	<u>143,711</u>	<u>143,711</u>	<u>148,253</u>	<u>4,542</u>
Expenditures:				
Payments to other Governments	<u>143,711</u>	<u>143,711</u>	<u>132,000</u>	<u>11,711</u>
Total Expenditures	<u>143,711</u>	<u>143,711</u>	<u>132,000</u>	<u>11,771</u>
Excess:				
Revenue over (under) expenditures	-0-	-0-	16,253	16,253
Fund balance (deficit) - January 1	<u>38,491</u>	<u>38,491</u>	<u>38,491</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 38,491</u>	<u>\$ 38,491</u>	<u>\$ 54,744</u>	<u>\$ 16,253</u>

OSCODA COUNTY
 STRONG FAMILIES/SAFE CHILDREN FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>6,707</u>	\$ <u>7,357</u>
Total Assets	\$ <u><u>6,707</u></u>	\$ <u><u>7,357</u></u>
FUND EQUITY		
Fund Balance:		
Undesignated	\$ <u>6,707</u>	\$ <u>7,357</u>
Total Fund Equity	\$ <u><u>6,707</u></u>	\$ <u><u>7,357</u></u>

OSCODA COUNTY
 STRONG FAMILIES/SAFE CHILDREN
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:				
State	\$ 6,000	\$ 6,000	\$ -0-	\$ (6,000)
Total Revenue	<u>6,000</u>	<u>6,000</u>	<u>-0-</u>	<u>(6,000)</u>
Expenditures:				
Salaries	5,541	5,541	-0-	5,541
Fringes	459	459	-0-	459
Other	<u>-0-</u>	<u>-0-</u>	<u>650</u>	<u>(650)</u>
Total Expenditures	<u>6,000</u>	<u>6,000</u>	<u>650</u>	<u>5,350</u>
Excess:				
Revenue over (under) expenditures	-0-	-0-	(650)	(650)
Fund balance (deficit) - January 1	<u>7,357</u>	<u>7,357</u>	<u>7,357</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 7,357</u>	<u>\$ 7,357</u>	<u>\$ 6,707</u>	<u>\$ (650)</u>

OSCODA COUNTY
DEPARTMENT OF HUMAN SERVICES
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ 47,155	\$ 35,167
Due from other governmental units	<u>25,413</u>	<u>9,079</u>
Total Assets	<u>\$ 72,568</u>	<u>\$ 44,246</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 15,568	\$ 8,639
Due to other governmental units	<u>57,000</u>	<u>28,000</u>
Total Liabilities	<u>72,568</u>	<u>36,639</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>-0-</u>	<u>7,607</u>
Total Fund Equity	<u>-0-</u>	<u>7,607</u>
Total Liabilities and Fund Equity	<u>\$ 72,568</u>	<u>\$ 44,246</u>

OSCODA COUNTY
 DEPARTMENT OF HUMAN SERVICES
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 250,000	\$ 250,000	\$ 209,486	\$ (40,514)
Total Revenue	250,000	250,000	209,486	(40,514)
Expenditures:				
Charges for services	250,000	250,000	218,953	31,047
Total Expenditures	250,000	250,000	218,953	31,047
Excess:				
Revenue over (under) expenditures	-0-	-0-	(9,467)	(9,467)
Other Financing Sources:				
Operating transfers in	-0-	-0-	1,860	1,860
Total Other Financing Sources	-0-	-0-	1,860	1,860
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	-0-	(7,607)	(7,607)
Fund balance (deficit) - January 1	7,607	7,607	7,607	-0-
Fund balance (deficit) - December 31	<u>\$ 7,607</u>	<u>\$ 7,607</u>	<u>\$ -0-</u>	<u>\$ (7,607)</u>

OSCODA COUNTY
EDC REVOLVING LOAN
BALANCE SHEET
DECEMBER 31, 2006

ASSETS

Cash demand and time deposits	\$ 31,761
Loans receivable	<u>203,685</u>
Total Assets	<u>\$ 235,446</u>

LIABILITIES AND FUND EQUITY

Liabilities:

Deferred revenue	<u>203,685</u>
Total Liabilities	<u>203,685</u>

Fund Equity:

Fund balance:	
Undesignated	<u>31,761</u>
Total Fund Equity	<u>31,761</u>
Total Liabilities and Fund Equity	<u>\$ 235,446</u>

OSCODA COUNTY
 EDC REVOLVING LOAN
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Federal	\$ -0-	\$ 60,000	\$ 71,900	\$ 11,900
Loan repayments	-0-	8,379	21,496	13,117
Other	-0-	1,075	1,240	165
Total Revenue	-0-	69,454	94,636	25,182
Expenditures:				
EDC Revolving loan	-0-	70,000	70,000	-0-
Total Expenditures	-0-	70,000	70,000	-0-
Excess:				
Revenue over (under) expenditures	-0-	(546)	24,636	25,182
Other financing sources (uses):				
Operating transfers in	-0-	7,125	7,125	-0-
Total other financing sources (uses)	-0-	7,125	7,125	-0-
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	6,579	31,761	25,182
Fund balance (deficit) - January 1	-0-	-0-	-0-	-0-
Fund balance (deficit) - December 31	<u>\$ -0-</u>	<u>\$ 6,579</u>	<u>\$ 31,761</u>	<u>\$ 25,182</u>

OSCODA COUNTY
 CHILD CARE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ 153,478	\$ 40,721
Due from other governmental units	<u>6,195</u>	<u>27,209</u>
Total Assets	<u>\$ 159,673</u>	<u>\$ 67,930</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 9,413	\$ 18,729
Due to other funds	<u>5,000</u>	<u>5,000</u>
Total Liabilities	<u>14,413</u>	<u>23,729</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>145,260</u>	<u>44,201</u>
Total Fund Equity	<u>145,260</u>	<u>44,201</u>
Total Liabilities and Fund Equity	<u>\$ 159,673</u>	<u>\$ 67,930</u>

OSCODA COUNTY
 CHILD CARE FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 145,500	\$ 145,500	\$ 46,505	\$ (98,995)
Other	<u>5,000</u>	<u>5,000</u>	<u>13,003</u>	<u>8,003</u>
Total Revenue	<u>150,500</u>	<u>150,500</u>	<u>59,508</u>	<u>(90,992)</u>
Expenditures:				
Charges for services	296,500	309,500	115,841	193,659
Payments to other governments	-0-	-0-	662	(662)
Travel	<u>2,500</u>	<u>2,500</u>	<u>3,446</u>	<u>(946)</u>
Total Expenditures	<u>299,000</u>	<u>312,000</u>	<u>119,949</u>	<u>192,051</u>
Excess:				
Revenue over (under) expenditures	<u>(148,500)</u>	<u>(161,500)</u>	<u>(60,441)</u>	<u>101,059</u>
Other Financing Sources:				
Operating transfers in	<u>148,500</u>	<u>161,500</u>	<u>161,500</u>	<u>-0-</u>
Total Other Financing Sources	<u>148,500</u>	<u>161,500</u>	<u>161,500</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	-0-	-0-	101,059	101,059
Fund balance (deficit) - January 1	<u>44,201</u>	<u>44,201</u>	<u>44,201</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 44,021</u>	<u>\$ 44,201</u>	<u>\$ 145,260</u>	<u>\$ 101,059</u>

OSCODA COUNTY
 SOLDIERS AND SAILORS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ <u>1,586</u>	\$ <u>8,507</u>
Total Assets	\$ <u><u>1,586</u></u>	\$ <u><u>8,507</u></u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ <u>300</u>	\$ <u>600</u>
Total Liabilities	<u>300</u>	<u>600</u>
Fund Equity:		
Fund balance:		
Undesignated	<u>1,286</u>	<u>7,907</u>
Total Fund Equity	<u>1,286</u>	<u>7,907</u>
Total Liabilities and Fund Equity	\$ <u><u>1,586</u></u>	\$ <u><u>8,507</u></u>

OSCODA COUNTY
 SOLDIERS AND SAILORS FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Other	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Revenue	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Expenditures:				
Social welfare	<u>8,667</u>	<u>14,667</u>	<u>14,121</u>	<u>546</u>
Total Expenditures	<u>8,667</u>	<u>14,667</u>	<u>14,121</u>	<u>546</u>
Excess:				
Revenue over (under) expenditures	<u>(8,667)</u>	<u>(14,667)</u>	<u>(14,121)</u>	<u>546</u>
Other Financing Sources:				
Operating transfers in	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-0-</u>
Total Other Financing Sources	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-0-</u>
Excess:				
Revenue and other financing sources over (under) expenditures	<u>(1,167)</u>	<u>(7,167)</u>	<u>(6,621)</u>	<u>546</u>
Fund balance (deficit) - January 1	<u>7,907</u>	<u>7,907</u>	<u>7,907</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 6,740</u>	<u>\$ 740</u>	<u>\$ 1,286</u>	<u>\$ 546</u>

OSCODA COUNTY
VETERANS TRUST FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>1,040</u>	\$ <u>773</u>
Total Assets	\$ <u><u>1,040</u></u>	\$ <u><u>773</u></u>
FUND EQUITY		
Fund Equity:		
Fund Balance:		
Undesignated	\$ <u>1,040</u>	\$ <u>773</u>
Total Fund Equity	\$ <u><u>1,040</u></u>	\$ <u><u>773</u></u>

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue:				
State	\$ <u>1,832</u>	\$ <u>1,832</u>	\$ <u>267</u>	\$ <u>(1,565)</u>
Total Revenue	<u>1,832</u>	<u>1,832</u>	<u>267</u>	<u>(1,565)</u>
Expenditures:				
Social welfare	<u>1,832</u>	<u>1,832</u>	<u>-0-</u>	<u>1,832</u>
Total Expenditures	<u>1,832</u>	<u>1,832</u>	<u>-0-</u>	<u>1,832</u>
Excess:				
Revenue over (under) expenditures	-0-	-0-	267	267
Fund balance (deficit) - January 1	<u>773</u>	<u>773</u>	<u>773</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u><u>\$ 773</u></u>	<u><u>\$ 773</u></u>	<u><u>\$ 1,040</u></u>	<u><u>\$ 207</u></u>

OSCODA COUNTY
BASIC GRANT
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Due from other funds	\$ 5,000	\$ 5,000
Due from other governmental units	<u>2,500</u>	<u>1,250</u>
Total Assets	<u>\$ 7,500</u>	<u>\$ 6,250</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Due to other funds	<u>\$ 6,250</u>	<u>\$ 6,250</u>
Total Liabilities	<u>6,250</u>	<u>6,250</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>1,250</u>	<u>-0-</u>
Total Fund Equity	<u>1,250</u>	<u>-0-</u>
Total Liabilities and Fund Equity	<u>\$ 7,500</u>	<u>\$ 6,250</u>

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
State	\$ 15,000	\$ 15,000	\$ 17,500	\$ 2,500
Total Revenue	<u>15,000</u>	<u>15,000</u>	<u>17,500</u>	<u>2,500</u>
Other Financing Uses:				
Operating transfers out	<u>(15,000)</u>	<u>(16,250)</u>	<u>(16,250)</u>	<u>-0-</u>
Total Other Financing Uses	<u>(15,000)</u>	<u>(16,250)</u>	<u>(16,250)</u>	<u>-0-</u>
Excess:				
Revenue over (under) other financing uses	-0-	(1,250)	1,250	2,500
Fund balance (deficit) - January 1	<u>-0-</u>	<u>1,250</u>	<u>-0-</u>	<u>(1,250)</u>
Fund balance (deficit) - December 31	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>

OSCODA COUNTY
 YOUTH SERVICES
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ <u>483</u>	\$ <u>483</u>
Total Assets	\$ <u><u>483</u></u>	\$ <u><u>483</u></u>
FUND EQUITY		
Fund Equity:		
Fund balance:		
Undesignated	\$ <u>483</u>	\$ <u>483</u>
Total Fund Equity	\$ <u><u>483</u></u>	\$ <u><u>483</u></u>

OSCODA COUNTY
 REGISTER OF DEEDS AUTOMATION FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>33,556</u>	\$ <u>26,716</u>
Total Assets	<u>\$ 33,556</u>	<u>\$ 26,716</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ <u>3,991</u>	\$ <u>3,801</u>
Total Liabilities	<u>3,991</u>	<u>3,801</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>29,565</u>	\$ <u>22,915</u>
Total Fund Equity	<u>29,565</u>	\$ <u>22,915</u>
Total Liabilities and Fund Equity	<u>\$ 33,556</u>	<u>\$ 26,716</u>

OSCODA COUNTY
 REGISTER OF DEEDS AUTOMATION FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest	\$ 400	\$ 400	\$ 1,321	\$ 921
Total Revenue	<u>400</u>	<u>400</u>	<u>1,321</u>	<u>921</u>
Expenditures:				
Supplies	-0-	-0-	4,546	(4,546)
Capital outlay	<u>10,000</u>	<u>13,000</u>	<u>7,860</u>	<u>5,140</u>
Total Expenditures	<u>10,000</u>	<u>13,000</u>	<u>12,406</u>	<u>594</u>
Excess:				
Revenue over (Under) expenditures	<u>(9,600)</u>	<u>(12,600)</u>	<u>(11,085)</u>	<u>1,515</u>
Other Financing Sources:				
Operating transfers in	<u>20,000</u>	<u>20,000</u>	<u>17,735</u>	<u>(2,265)</u>
Total Other Financing Sources	<u>20,000</u>	<u>20,000</u>	<u>17,735</u>	<u>(2,265)</u>
Excess:				
Revenue and other financing Sources over (under) expenditures	10,400	7,400	6,650	(750)
Fund balance (deficit) - January 1	<u>22,915</u>	<u>22,915</u>	<u>22,915</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 33,315</u>	<u>\$ 30,315</u>	<u>\$ 29,565</u>	<u>\$ (750)</u>

OSCODA COUNTY
AIRPORT FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2006 AND 2005

ASSETS		
	<u>2006</u>	<u>2005</u>
Cash demand and time deposits	\$ 18,872	\$ 25,627
Total Assets	<u>\$ 18,872</u>	<u>\$ 25,627</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ -0-	\$ 10,327
Total Liabilities	<u>-0-</u>	<u>10,327</u>
Fund Equity:		
Fund Balance:		
Undesignated	<u>18,872</u>	<u>15,300</u>
Total Fund Equity	<u>18,872</u>	<u>15,300</u>
Total Liabilities and Fund Equity	<u>\$ 18,872</u>	<u>\$ 25,627</u>

OSCODA COUNTY
AIRPORT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Rent	\$ 7,100	\$ 7,100	\$ 8,105	\$ 1,005
Total Revenue	<u>7,100</u>	<u>7,100</u>	<u>8,105</u>	<u>1,005</u>
Expenditures:				
Salaries and wages	2,500	1,400	1,453	(53)
Supplies	325	325	265	60
Charges for services	2,525	2,525	2,055	470
Insurance	2,500	2,000	2,565	(565)
Utilities	1,920	1,920	2,012	(92)
Repair and maintenance	600	1,700	1,505	195
Capital outlay	<u>25,000</u>	<u>34,722</u>	<u>3,900</u>	<u>30,822</u>
Total Expenditures	<u>35,370</u>	<u>44,592</u>	<u>13,755</u>	<u>30,837</u>
Excess:				
Revenues over (under) expenditures	<u>(28,270)</u>	<u>(37,492)</u>	<u>(5,650)</u>	<u>31,842</u>
Other Financing Sources (Uses):				
Operating transfer in	<u>54,000</u>	<u>63,222</u>	<u>9,222</u>	<u>(54,000)</u>
Total other financing sources (uses)	<u>54,000</u>	<u>63,222</u>	<u>9,222</u>	<u>(54,000)</u>
Excess:				
Revenue and other financing sources over (under) expenditures	25,730	25,730	3,572	(22,158)
Fund balance (deficit) - January 1	<u>15,300</u>	<u>15,300</u>	<u>15,300</u>	<u>-0-</u>
Fund balance (deficit) - December 31	<u>\$ 41,030</u>	<u>\$ 41,030</u>	<u>\$ 18,872</u>	<u>\$ (22,158)</u>

OSCODA COUNTY
 COMBINING BALANCE SHEET - ALL FIDUCIARY FUNDS
 DECEMBER 31, 2006

	<u>Agency Funds</u>		
	<u>General</u>	<u>Library</u>	<u>Totals</u>
ASSETS			
Cash demand and time deposits	\$ 389,011	\$ 73,727	\$ 462,738
Total Assets	<u>\$ 389,011</u>	<u>\$ 73,727</u>	<u>\$ 462,738</u>
LIABILITIES			
Due to governmental units	\$ 53,322	\$ -0-	\$ 53,322
Undistributed collections	292,148	73,727	365,875
Other current liabilities	<u>43,541</u>	<u>-0-</u>	<u>43,541</u>
Total Liabilities	<u>\$ 389,011</u>	<u>\$ 73,727</u>	<u>\$ 462,738</u>

OSCODA COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
DECEMBER 31, 2006

<u>TRUST AND AGENCY</u>	<u>Balance January 1 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31 2006</u>
ASSETS				
Cash demand and time deposits	\$ 401,663	\$ 5,292,928	\$ 5,305,580	\$ 389,011
Total Assets	<u>\$ 401,663</u>	<u>\$ 5,292,928</u>	<u>\$ 5,305,580</u>	<u>\$ 389,011</u>
LIABILITIES				
Due to governmental units	\$ 45,065	\$ 4,107,853	\$ 4,099,596	\$ 53,322
Undistributed collections	316,222	1,025,028	1,049,102	292,148
Other current liabilities	<u>40,376</u>	<u>160,047</u>	<u>156,882</u>	<u>43,541</u>
Total Liabilities	<u>\$ 401,663</u>	<u>\$ 5,292,928</u>	<u>\$ 5,305,580</u>	<u>\$ 389,011</u>
<u>LIBRARY PENAL FINES</u>				
ASSETS				
Cash demand and time deposits	\$ 49,659	\$ 114,551	\$ 90,483	\$ 73,727
Total Assets	<u>\$ 49,659</u>	<u>\$ 114,551</u>	<u>\$ 90,483</u>	<u>\$ 73,727</u>
LIABILITIES				
Undistributed collections	\$ 49,659	\$ 114,551	\$ 90,483	\$ 73,727
Total Liabilities	<u>\$ 49,659</u>	<u>\$ 114,551</u>	<u>\$ 90,483</u>	<u>\$ 73,727</u>
<u>AGENCY FUND TOTALS</u>				
ASSETS				
Cash demand and time deposits	\$ 451,322	\$ 5,407,479	\$ 5,396,063	\$ 462,738
Total Assets	<u>\$ 451,322</u>	<u>\$ 5,407,479</u>	<u>\$ 5,396,063</u>	<u>\$ 462,738</u>
LIABILITIES				
Due to governmental units	\$ 45,065	\$ 4,107,853	\$ 4,099,596	\$ 53,322
Undistributed collections	365,881	1,139,579	1,139,585	365,875
Other current liabilities	<u>40,376</u>	<u>160,047</u>	<u>156,882</u>	<u>43,541</u>
Total Liabilities	<u>\$ 451,322</u>	<u>\$ 5,407,479</u>	<u>\$ 5,396,063</u>	<u>\$ 462,738</u>

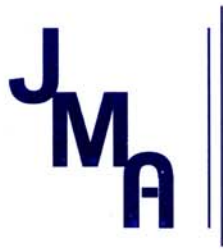
OSCODA COUNTY
 TRUST AND AGENCY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>389,011</u>	\$ <u>401,663</u>
Total Assets	\$ <u><u>389,011</u></u>	\$ <u><u>401,663</u></u>
LIABILITIES		
Due to governmental units	\$ 53,322	\$ 45,065
Undistributed collections	292,148	316,222
Other current liabilities	<u>43,541</u>	<u>40,376</u>
Total Liabilities	\$ <u><u>389,011</u></u>	\$ <u><u>401,663</u></u>

OSCODA COUNTY
 LIBRARY PENAL FINES FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash demand and time deposits	\$ <u>73,727</u>	\$ <u>49,659</u>
Total Assets	\$ <u><u>73,727</u></u>	\$ <u><u>49,659</u></u>
LIABILITIES		
Undistributed collections	\$ <u>73,727</u>	\$ <u>49,659</u>
Total Liabilities	\$ <u><u>72,727</u></u>	\$ <u><u>49,659</u></u>

OTHER SUPPLEMENTAL INFORMATION



James M. Anderson, P.C.

CERTIFIED PUBLIC ACCOUNTANT

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

June 14, 2007

Board of Commissioners
Oscoda County
Mio, MI 48647

Dear Board:

I have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oscoda County as of and for the year ended December 31, 2006, which collectively comprise Oscoda County's basic financial statements and have issued my report thereon dated June 14, 2007. I did not audit the financial statements of the Special Revenue County Road Commission Fund, which statements represent 100 percent and 100 percent, respectively, of the assets and revenues of the component units. These statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the Special Revenue County Road Commission Fund, is based solely on the report of the other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Oscoda County's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Oscoda County's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Oscoda County's internal control over financial reporting.

MEMBER MACPA and AICPA

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Oscoda County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Oscoda County's financial statements that is more than inconsequential will not be prevented or detected by Oscoda County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Oscoda County's internal control.

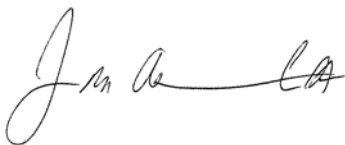
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oscoda County's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to management of Oscoda County, in a separate letter dated June 14, 2007.

This report is intended solely for the information and use of the audit committee, management, and Board of Commissioners, and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in cursive script, appearing to read "James M. Anderson".

JAMES M. ANDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANT

OSCODA COUNTY
REPORT TO MANAGEMENT
DECEMBER 31, 2006



James M. Anderson, P.C.

CERTIFIED PUBLIC ACCOUNTANT

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June 14, 2007

Board of Commissioners
Oscoda County
Mio, MI 48647

In planning and performing my audit of the financial statements of Oscoda County as of and for the year ended December 31, 2006, I considered the County's accounting, operational, and internal control procedures to determine the nature and extent of my audit testing for the purpose of expressing an opinion on the financial statements of the County and not to provide assurance on the procedures themselves.

I did however, during the course of my audit, become aware of certain matters that are opportunities for enhancing those procedures or controls. The memorandum that accompanies this letter summarizes my comments and suggestions regarding those matters. This letter does not affect my report dated June 14, 2007 on the financial statements of Oscoda County.

I have already discussed these comments and suggestions with the Oscoda County personnel, and I will be pleased to discuss them in further detail at your convenience, and/or to perform any additional studies of these matters, should you so desire.

A handwritten signature in blue ink, appearing to read "J M Anderson".

JAMES M. ANDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANT

AMBULANCE DEPARTMENT

During 2006 the County Board of Commissioners designated Accumed as the ambulance accounts receivable collections agent. This includes the tasks of receiving the payments from customers and the billing process. The Ambulance Department is attempting to administer a hand system in house that posts to a computerized spread sheet. In addition, Accumed posts the checks received but does not deposit them on behalf of the County. Rather, the checks are mailed to the Ambulance Department and deposited by their staff. This is a duplication of effort and a potential control weakness. I recommend that the Ambulance Department use Accumed reports to reconcile the accounts receivables to eliminate the dual accounting systems and have procedures in place to ensure that checks turned over from Accumed be deposited within a day they are received.

COUNTY LIBRARY

The Library collects book fines and miscellaneous receipts. These are transmitted to the County Treasurer's office periodically. During the test months I examined, I found receipts that were held for more than a month before being transmitted. I recommend that procedures be put in place to ensure that deposits with the Treasurer are done weekly.

BUILDING CODE DEPARTMENT

The Building Code Department maintains a depository checking account which is used to deposit daily receipts in and then turn them over to the County Treasurer on a monthly basis. During my testwork, I found that deposits were not being made timely. In addition, the bank is charging a monthly fee which makes it impossible for the department to transmit all of the monthly receipts. I recommend that the Building Department make deposits to the depository account at least weekly, the County Treasurer make arrangements with the bank to eliminate the monthly service charges, and bank reconciliations be performed using the last day of the month as the cut off.

The Building Department collects performance bonds which are deposited in the County's Trust and Agency Account. When final inspections are complete, the department requests for the funds to be paid out of the T & A to the permit holder. As of the date of this audit there has not been a complete reconciliation of the outstanding bonds. I recommend that the Department Clerk reconcile the outstanding bonds as of the next month end and prepare a reconciliation each month thereafter.

SHERIFF DEPARTMENT

The Sheriff Department collects bonds and fees on a daily basis. These are receipted in a hand system and deposited to a depository account and then turned over to the County Treasurer and District Court. Currently, the department is only depositing to the account monthly and the bank is charging a monthly service fee. I recommend that the Sheriff Department make deposits at least weekly to the account and the County Treasurer make arrangements with the bank to eliminate monthly service charges.

DISTRICT COURT

The District Court maintains a bond account which is used to account for bonds and restitution received and disbursed by the court. During a previous State audit, it was determined that the account was not being reconciled on a timely basis. As of the date of my audit, I was unable to determine if this had been rectified because the records were not kept at the Mio office. I recommend that the records pertaining to the Mio Court be maintained at that location to allow for proper inspection.

One of the State's audit recommendations was the establishment of separate cash drawers for each employee. In addition, there is an issue of the ability to access multiple employee passworded computer receipting due to multiple windows open on the computer located at the counter. Through discussion with the staff, it may be beneficial to make minor renovations to the office by installing a window for customer service and eliminating the counter inside the office. This would not only allow for the multiple drawers, but enhance the security within the office.

HOUSING FUND

The Housing Department maintains mortgage loans/grants with recipients in Oscoda County. Although the loans are maintained on an individual basis, there is no control total reconciled to in the general ledger. I recommend that a complete reconciliation be performed as soon as possible and for each month end thereafter. This would include all of the mortgage receivables maintained within the Housing Department compared to the general ledger total maintained by the Clerk and Treasurer.

The Director maintains a separate accounting system for the Housing Department which should reconcile to the County general ledger. At the time I performed my testwork, the 2006 activity had not been posted. This should be done each month and reconciled within 15 days of month end.